

Herald Tribune

Published with The New York Times and The Washington Post

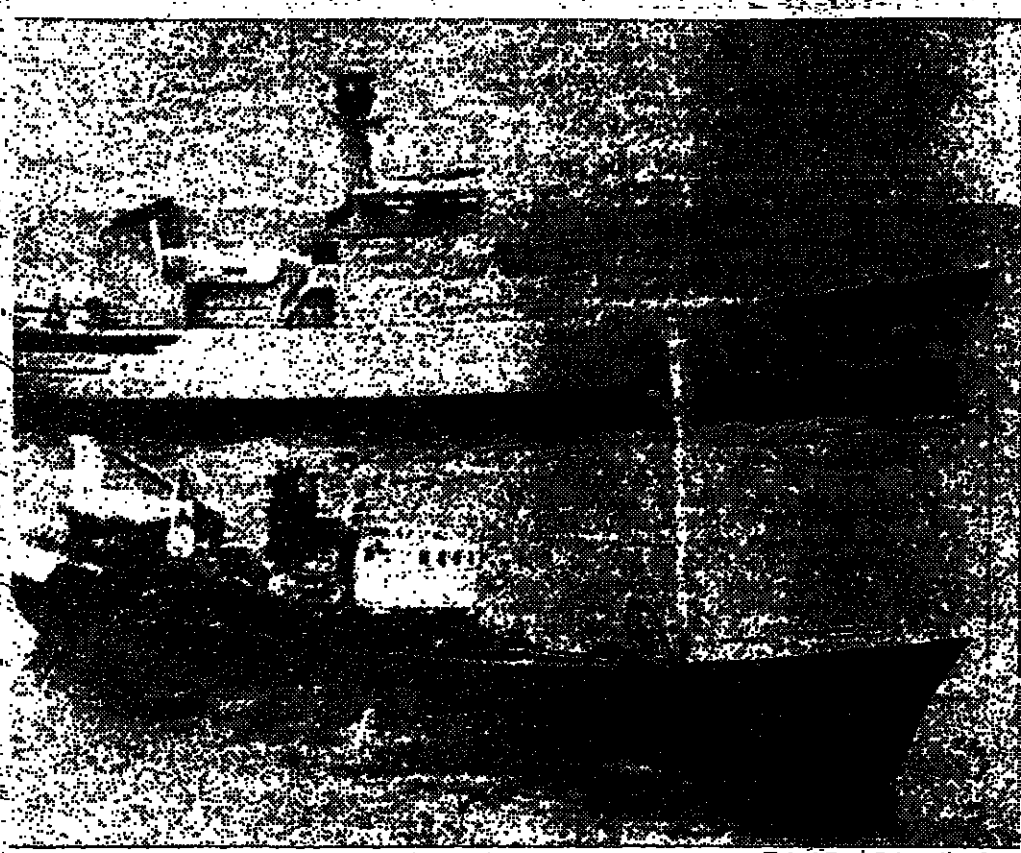
8,107

PARIS, MONDAY, MAY 28, 1973

Established 1887

WEATHER FORECAST - PARIS:
cloudy. Temp. 75-87 (24-31). Tomorrow, 75-87 (24-31).
Partly cloudy, chance of showers: 75-85 (24-29).
Sunny. Temp. 81-90 (27-32).
Chance of rain, cloudy. Temp. 61-69 (16-21).
Yesterday's temp. 61-69 (16-21).
NATIONAL WEATHER - Page 2.

Austria	.....	8 S.	London	.....	99 P.
Belgium	.....	14 S.F.	Lucembourg	.....	14 L.F.
Denmark	.....	2.5 D.Kr.	Madrid	.....	1.30 Dr.
France	.....	1.20 F.F.	Netherlands	.....	1 Flor.
Germany	.....	1.00 M.	Nigeria	.....	2/6
Greece	.....	10 Dr.	Portugal	.....	200 P.
India	.....	Rs. 2.75	Spain	.....	16 Ptas.
Italy	.....	200 Lire	Sweden	.....	1.75 S.Kr.
Japan	.....	100 Yen	Switzerland	.....	1.20 S.Fr.
South Africa	.....	1.00 Rand	U.S. Military	.....	50 C.
Taiwan	.....	1.00 N.T.	Yugoslavia	.....	6 D.



idic gunboat Aegir (background) passes by British trawler inside 50-mile limit.

x Shells From Icelandic Gunboat rike, Almost Sink British Vessel

From Wire Dispatches
REYKJAVIK, Iceland, May 27 (AP)—An Icelandic gunboat opened fire on a British trawler yesterday after it ignored repeated shots and orders to stop, left the vessel shipping after a chase off Iceland's coast.

A British trawler, the *Everton*, was hit by six shells from the *Aegir* and was badly damaged. There was no report of casualties. The gunboat, which was assisted by other British vessels, fired the shells.

The incident, the most serious in the so-called cod war between Britain and Iceland, brought attention from the British Foreign Office and the British Prime Minister, Harold Wilson.

The British government said the gunboat action was "a serious incident."

Italy Gives Asylum To 33

Greek Captain Says Mutiny Was Better Than Civil War

Soviet Pilot Held After Jet Falls In West Germany

Argentine, 20, Is Murdered By Kidnappers

Haldeman, Ehrlichman Seen Linked to Ellsberg Break-In

Saudis Negotiating Purchase Of \$500 Million in U.S. Arms

3d Minister Allegedly Named In British Call-Girl Scandal

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Mutiny On The Velos—Officers and crewmen of the Greek destroyer waving from an Italian Navy launch carrying them ashore at Fiumicino, a small harbor near Rome.

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

Umbrella Rigged by Astronauts Cools Skylab; Power Still Cut

They Settle In, Eye New Repairs

Parasol Rigged by Astronauts Cools Skylab; Power Still Cut

SPACE CENTER, Houston, May 27 (AP)—Temperatures dropped steadily today in the Skylab space station, now shaded by a partially deployed parasol. The three astronauts started moving into the space cabin that will be their home for weeks.

They had poked the parasol through a hole in the space station's ceiling late last night and watched as it lazily spread out its panels in the weightlessness of space. The parasol wrinkled slightly and did not open fully.

But they, and their support teams on the ground, were pleased with the partial success of their repair job. Officials here said that the partly opened sunshade may extend to its full dimensions, 22 by 24 feet, when the sun's heat causes it to expand. And they said that the astronauts may try to deploy another solar shade from among the two other types of parasols they took with them for their 28-day mission.

"There's no doubt about it, the temperatures have come down in a lot of places," said the Skylab-1 crew commander, Capt. Charles Conrad Jr., after a tour of the 113-foot-long space station this morning with his mates, Comdr. Paul J. Weitz and Lt. Comdr. Joseph P. Kerwin.

Officials here said the interior temperatures today were "like Phoenix [in Arizona] on a warm sunny day."

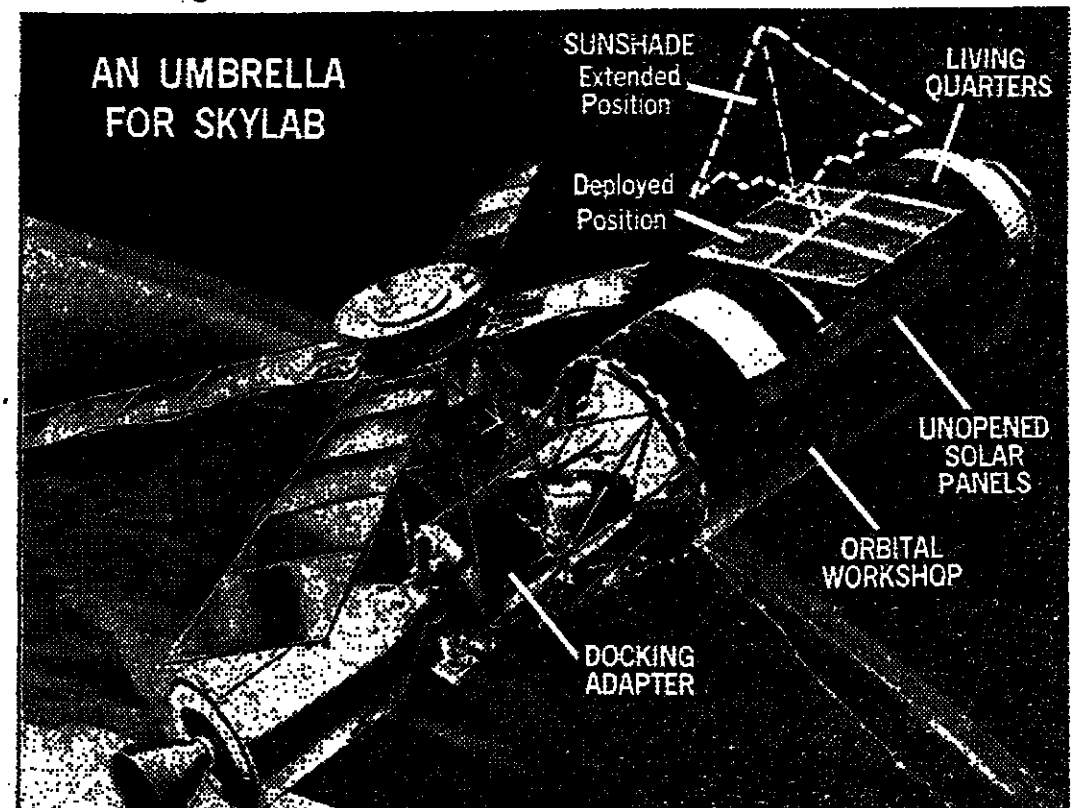
"Of course there is still a lot of heat inside here, but it feels pretty good down around the bedrooms," Capt. Conrad reported.

He said there were "some local hot spots."

Temperatures, which had soared to more than 125 inside the unshaded space workshop, started dropping almost immediately after the astronauts pushed the umbrella device into place. Readings dropped five degrees in the first four hours and some gauges were reading as low as 85 to 98 degrees by the time the crew awoke in the vehicle which they had used to reach Skylab Friday.

Officials said the astronauts will start their mission's main work, a complex of on-board experiments, late tomorrow or early Tuesday. Temperatures in the space station are expected to hover around 80 by then, officials said.

Launch of the Skylab-1 crew was delayed 10 days to permit fabrication of some type of sunshade for the station. After their launching, rendezvous and docking Friday, the astronauts tried unsuccessfully to free a jammed solar panel. Four other panels,



Sunshade, replacing missing micrometeoroid shield, has been partially deployed on the U.S. Skylab. Umbrella-like device was extended through an air lock, then pulled down.

perments at once, as originally planned, the astronauts will find themselves in the position of a family with the little electrical power to use its clothes dryer, stove, television and air-conditioner at the same time.

Skylab's power supply is being supplemented through a cable attached to the command module's fuel-cell system. The fuel cell combines oxygen and nitrogen to produce electricity. Supplies in the fuel cell are not expected to last the whole mission, and officials said that when it runs dry, the Skylab experimental work will have to be curtailed, even more.

Flight controller William Hutchinson said a plan was being worked out so that most results possible will be squeezed from the available power.

Today, however, Capt. Conrad, taking a break from the task of moving from the Apollo command module into the Skylab living quarters, suggested to Mission Control that his crew make another attempt to free the jammed solar wing on June 19, the 28th day of his mission.

Mission Control replied that engineers on the ground were "trying to see what we can do along those lines."

Capt. Conrad said that the wing appeared to be pinned down by a narrow aluminum strap from the anti-meteoroid shield that ripped away during the launch.

"I did not cut the strap because I felt we did not have the right tools aboard to do it with," Comdr. Weitz said.

Mission control said tests on the ground showed that a long-handled cutter in the astronauts' repair kit might do the job and Capt. Conrad suggested a crewmember try it.

The astronauts had tried to use some long-handled tools that they wielded from portholes of their Apollo command ship as they flew it alongside Skylab on Friday.

That failed, but they proved their skill as repairmen Friday in another job. When they first rendezvoused with Skylab, the Apollo vehicle was attached to 16 in a "soft-dock" linkup—with three latches gripping the orbiting laboratory. They disengaged to try to fix the solar-power wing, and then tried a "hard dock," but encountered trouble.

Capt. Conrad repeatedly poked the Apollo's nose into Skylab's docking collar, but the mechanism failed to engage. The astronauts finally redocked their space-suits, vented their Apollo cabin, opened a hatch and partly disassembled the linking device. They then put the hatches into a properly cocked position.

Minutes later, they announced to Mission Control: "Yay! Hard dock!"

The astronauts had then been without sleep for nearly 24 hours. Of the possibility that the astronauts might have a "go" at further reducing the orbiting laboratory's temperature by deploying another sunshade, Skylab program director William C. Schneider said at Mission Control: "We have not closed the door to any further activity there."

Yesterday, the astronauts donned gas masks before entering the Skylab, but tests showed that no poison gases were present, and they began preparing for deployment of the parasol.

After spending last night in their delivery vehicle, the three re-entered the space station and spent most of today working to put its cabin in shape. They unloaded equipment that had been stored in boxes and aligned ducts to help the circulation of the oxygen-nitrogen atmosphere.

The astronauts frolicked through their moving-in chores, delighted with the ease of working in weightlessness.

A short television view beamed from the space station showed them flying from one point to another inside the Skylab, which has the volume of a 1,600-square-foot, three-bedroom home.

"You can go anywhere you want to in the vehicle," Capt. Conrad said. "You just shove off and go. It's just superb."

Once they are moved in, the astronauts will spend the balance of their mission controlling experiments which study the sun, stars, the earth and themselves.

They will operate a telescope which studies the sun and will probe the earth with sensors that study geologic formations, water resources, plant-growth

(Continued on Page 2, Col. 5)



MUTINY ON THE VELOS—Officers and crewmen of the Greek destroyer waving from an Italian Navy launch carrying them ashore at Fiumicino, a small harbor near Rome.

3d Minister Allegedly Named In British Call-Girl Scandal

Robert Carr and Attorney General Sir Peter Rawlinson

The name of "the third man" allegedly arose during discussions on the scope of an official inquiry into possible breaches of national security arising from the scandal that already has forced two government ministers to quit.

An announcement the security inquiry to the House of Commons on Thursday, Mr. Heath said there were no grounds for supposing that any minister was involved other than Lord Lambton, a junior defense minister, and Lord Jellicoe, a senior cabinet minister, who resigned from his administration.

Scotland Yard has announced an investigation into claims by one call girl that a third minister is involved.

The popular newspaper, the Sunday People, quoted 26-year-old Norma Levy—the call girl at the center of the scandal—as saying the minister had paid her up to \$50 for her services as a prostitute.

Press speculation covered a wide range as Mr. Heath's cabinet officers prepared the ground for an official inquiry into security aspects by a three-man commission headed by 66-year-old Lord Diplock.

Informal sources said Mr. Heath probably would be in touch with Labor opposition leader Harold Wilson on Wednesday to discuss terms of references for the inquiry, which is expected to get under way next month.

Mr. Heath will leave tomorrow on a two-day private visit to West Germany, returning on Wednesday.

Today Lord Lambton advised officials in his northern England constituency that he was giving up his parliamentary seat.

Argentine, 20, Is Murdered By Kidnappers

ROSARIO, Argentina, May 27 (AP)—Jorge Arroyo, 20, a kidnaper victim from a wealthy family, has been murdered and his body dumped in a river, police said yesterday.

Mr. Arroyo was seized May 15 and held for a \$100,000 ransom, police sources said. His parents apparently agreed to pay only \$5,000.

Police said the body showed signs that Mr. Arroyo was killed about a week ago. His family owns a meat-packing plant near Rosario.

Urban guerrillas continued to hold at least six other persons hostage throughout Argentina, including a retired admiral, a lieutenant colonel and four businessmen.

The theory was outlined to

Haldeman, Ehrlichman Seen Linked to Ellsberg Break-In

WASHINGTON, May 27 (NYT).

Federal prosecutors now have evidence directly linking H. R. Haldeman and John D. Ehrlichman, former top White House advisers, to illegal activities against Daniel Ellsberg in 1971, sources close to the Watergate investigation disclosed yesterday.

The prosecutors have concluded, the sources said, that those activities were a major factor behind the decision at the White House to cover up the Watergate bugging a year later.

The theory of prosecution, far the first time linking the two aides directly to illegal activities against Mr. Ellsberg, was described by the sources as the heart of the government's prospective case against Mr. Haldeman, who resigned last month as President Nixon's chief of staff, and Mr. Ehrlichman, who resigned as his top domestic adviser.

The theory was outlined to

Archibald Cox, the newly appointed special Watergate prosecutor, in his meeting with the federal prosecutors last week.

A spokesman for Mr. Haldeman and Mr. Ehrlichman denied that the two men had participated in or covered up any criminal activities while serving in the White House.

The sources disclosed that damaging evidence against Mr. Haldeman and Mr. Ehrlichman was recently presented to the federal grand jury by David R. Young Jr., the former National Security Council aide. He served as co-director of the so-called "Plumbers team" that was authorized by Mr. Nixon to stop leaks of information after publication of the Pentagon papers in June, 1971.

Mr. Young testified to the grand jury after receiving partial immunity at the prosecutors' request last May 16, the sources said.

The prosecutors further believe, the sources said, that they can prove that key officials of the White House knew at the time they were committed that certain undercover activities against Mr. Ellsberg were illegal. These activities included a break-in in September, 1971, at the office of his former psychiatrist in Los Angeles.

The prosecutors are also known to believe, the sources said, that Mr. Nixon's statement last Tuesday on the Watergate cover-up was designed, in the words of one official, "to provide an umbrella of national security for Haldeman and Ehrlichman."

"If ever a statement was drafted to meet a grand jury inquiry, that was it," one Justice Department official said. "They [White House] knew it was a cover-up."

(Continued on Page 2, Col. 7)

Saudis Negotiating Purchase Of \$500 Million in U.S. Arms

By Michael Getler

WASHINGTON, May 27 (WP).

Saudi Arabia is negotiating with the United States for purchase of what is expected to be more than \$500 million in warships, military communications equipment and training assistance.

A Pentagon team, primarily comprised of Navy officers, was in Saudi Arabia in recent weeks, and government officials indicate that negotiations are under way for the sale of up to 29 U.S. warships—mostly destroyers and frig-

ates—to help strengthen Saudi naval influence in the Persian Gulf.

The prospective sales are part of a surge in arms sales and weapons deliveries throughout the Persian Gulf by the United States, Britain and Russia, interest in the area is mounting along with concern over the security of much of the world's future oil supplies.

Including the expected sales to Saudi Arabia, U.S. arms sales in (Continued on Page 2, Col. 1).

Saigon Says Reds Shot Down Liaison Helicopter, Killing 12

SAIGON, May 27.—The Saigon government said yesterday that Communist guerrillas shot down an unarmed South Vietnamese helicopter on a liaison mission, killing all 12 persons aboard, including a regimental commander.

The incident was called one of the worst violations of the four-month-old Vietnam cease-fire by Lt. Col. Le Trung Hien, the chief spokesman for the Saigon command. He said the helicopter was over government-controlled territory, 30 miles north of Saigon, when it was downed Friday. Reports indicated that it was hit by a Soviet-built Strela heat-

seeking missile that is fired by hand, he said.

There was no comment from the Viet Cong.

The U.S. and Saigon governments and Canadian and Indonesian representatives on the International Commission of Control and Supervision have reported that many helicopters have been shot down, forced down or shot down. The Viet Cong claim that helicopters, including peace-keeping commission aircraft, have been used for attacks and spying. The Saigon government said the ICGC has said it suspected that the United States used these helicopters for spying, an allegation denied by the United States.

On April 7, the Viet Cong shot down an ICGC helicopter, killing nine persons.

Meanwhile, U.S. Deputy Assistant Secretary of State William H. Sullivan completed his swing through Indochina to confer on a cease-fire implementation program.

Mr. Sullivan had spent three days in Saigon going over a program worked out in Paris by presidential adviser Henry A. Kissinger and Hanoi's Le Duc Tho. Yesterday, he went to Phnom Penh for an hour's conference with President Lon Nol and then continued to Vientiane and Bangkok.

Today, the South Vietnamese command reported outbreaks of fighting in the Mekong Delta, an area where government and Communist zones of control are ill-defined.

Communist attacks developed in the delta after a week-long lull, during which the lowest level of fighting was recorded in South Vietnam since the cease-fire five months ago.

The heaviest clash was reported in Kien Ho Province, 30 miles southeast of Saigon. A Communist spokesman said a Communist militia unit at dusk yesterday, killing two soldiers and wounding 17. The Communists were reported to have been beaten back, leaving 20 dead.

Saudis Seek To Buy Arms From U.S.

(Continued from Page 1)

The Gulf is now at or above \$4 billion, with about \$2.5 billion in equipment sold to Iran during the last 18 months and more than \$600 million in additional sales being negotiated with Kuwait.

Some U.S. officials indicate the anticipated sales to Saudi Arabia eventually may approach \$1 billion.

The British also have sold hundreds of tanks to Iran and are helping the Saudis set up an air defense system under a new contract estimated at \$95 million.

Soviet arms, meanwhile, continue to flow into Iraq.

Saudi Arabia is the world's largest exporter of petroleum and is also believed to have the largest known reserves. Iraq is second and also has large reserves. Iraq, although its oil production capabilities are not as highly developed, is believed to have large reserves.

In explaining the increasing sale of American military equipment to Persian Gulf nations, U.S. officials have emphasized the need for stability in that extraordinarily rich area of the world, where many of the countries that have such large wealth are also militarily weak—and presumably vulnerable to takeover or exploitation.

The United States also stresses publicly the need to improve the self-defense capabilities of these nations in the aftermath of the British pullout of its military force from the Gulf in 1971, and increased Soviet involvement in Syria and Iraq.

But aside from the public explanations, officials add that the overseas sales—mostly for cash—to these wealthy countries help the U.S. balance of payments, help keep the defense industry busy without additional U.S. funds and help to restore at least some semblance of U.S. influence and importance with Arab states despite U.S. support of Israel.

U.S. officials also maintain that the sale of American arms carries with it restrictions against the purchasing country transshipping those arms to a third country without U.S. approval.

Such restrictions could become extremely important in any future deals with Saudi Arabia.

Mr. Sullivan had spent three days in Saigon going over a program worked out in Paris by presidential adviser Henry A. Kissinger and Hanoi's Le Duc Tho. Yesterday, he went to Phnom Penh for an hour's conference with President Lon Nol and then continued to Vientiane and Bangkok.

Today, the South Vietnamese command reported outbreaks of fighting in the Mekong Delta, an area where government and Communist zones of control are ill-defined.

Communist attacks developed in the delta after a week-long lull, during which the lowest level of fighting was recorded in South Vietnam since the cease-fire five months ago.

The heaviest clash was reported in Kien Ho Province, 30 miles southeast of Saigon. A Communist spokesman said a Communist militia unit at dusk yesterday, killing two soldiers and wounding 17. The Communists were reported to have been beaten back, leaving 20 dead.

Bomb Along River

In Cambodia, U.S. B-52s and F-111 fighter-bombers struck Communist positions along the Mekong River yesterday to try to clear the way for a convoy of ships waiting to steam to Phnom Penh from the South Vietnamese border, military sources said.

Navy sources said the strike was the first to attempt the trip since May 17, is expected to set out tomorrow or Tuesday.

Cambodian troops with U.S. air support also broke a Communist hold on a section of Highway-1, reopening the road to an important Mekong River ferry crossing, a military spokesman said. Highway-1 links Saigon and Phnom Penh.

About an hour after government gunboats left Phnom Penh to link up with the supply convoy, an American OV-10 Bronco spotted a mine reported seeing a vessel hit by rebel fire and burning about 12 miles from the capital.

The Pacific Military Command reported in Honolulu that a U.S. F-4 Phantom crashed yesterday about 100 miles northeast of Phnom Penh. The two crewmen were rescued. On Friday, the pilot of an A-1H Corsair was killed when his plane crashed.

Duty Term 'Exercise in Frustration'

Canada Seen Seeking Truce-Team Pullout

By Jay Walz

OTTAWA, May 27 (NYT).—With a decision expected in the next few days, a majority of Canada's cabinet reportedly favors ordering its peacekeeping force out of Vietnam, ending a four-month "exercise in frustration."

Mitchell W. Sharp, secretary

of state for external affairs, who has been Prime Minister Pierre Elliott Trudeau's principal spokesman in the matter, has made no secret of his view that Canada should withdraw from the International Commission of Control and Supervision, despite possible serious consequences for the truce.

Canadian doubts run deep that the commission—consisting also of Hungary, Poland and Indonesia—can ever function properly. Some here argue that a decision to withdraw should have come earlier.

But there was a general reluctance in the cabinet—including informed sources say, the prime minister—to act before Henry A. Kissinger, President Nixon's adviser, and Le Duc Tho, Hanoi's principal negotiator, had completed their discussions last week in Paris on ways of improving adherence to the Vietnam cease-fire accord.

Decision by Thursday

Ottawa still "hopes that out of these talks might come improved prospects of an ICGC that works," one official said.

The minority Liberal government, however, is under pressure for a firm decision by Thursday.

Canada reluctantly agreed to join the commission for a 60-day "experimental" period. It dispatched 290 observers, mostly military personnel, to Vietnam



WAR VICTIMS—With his artificial leg resting in foreground, wounded Cambodian veteran cuddles his son at their home along Highway 13 near Phnom Penh.

U.S. Reports Say Both Sides Violate Vietnam Cease-Fire

By Jacques Leslie

SAIGON, May 27.—While the Nixon administration has publicly portrayed the Communists as the principal violator of the Vietnam cease-fire, classified documents prepared by U.S. Embassy officials here present a far less clear-cut view of the fighting, with both sides committing many major violations.

The daily situation reports also show that, except in the Mekong Delta area, fighting has decreased sharply since the cease-fire began four months ago. More than 90 pages of the documents, labeled "Confidential," were made available to the Los Angeles Times. The reports cover part of May.

According to partial statistics in the reports, Saigon troops fired several times as many artillery and mortar rounds as Communist soldiers did in the period covered.

In addition, some descriptions of apparent Saigon violations either contradicted official accounts or were not reported by the Saigon military command. One report mentions the sighting of two American B-52s over South Vietnamese territory, also a violation, even if they were returning from a bombing mission in Cambodia.

Build-up Continues

On the other hand, Communist troops were reported to have launched dozens of small-unit attacks against government outposts and were said to be continuing their military build-up in the northern region.

Before the cease-fire, President Nguyen Van Thieu said about probable Communist violations: "If the Communists use small guns, we will use a big gun."

The reports suggest that the government has followed this policy. During one four-day period in the northernmost of South Vietnam's four military regions, the Communists fired 896 mortar and only 10 artillery rounds. In turn, Saigon troops fired 6,074 artillery rounds.

While the reports did not give comprehensive statistics for shellings in other military regions, other sources here said that since the cease-fire Saigon troops have taken advantage of their superior firepower and have been shelling at a much higher rate than the Communists.

Combat activity appears to be dropping off elsewhere, but in the Mekong Delta it is still heavy, the documents said. Recently, there have been more incidents in the delta military region than in the other three regions combined.

Battle Incident

The tone of the reports suggests that in some instances U.S. officials condemn the veiling of violations by Saigon military spokesmen. Robert Waldmuth, U.S. consul-general in Hanoi, reported an incident May 8 in Hanoi Province in which Communist soldiers were mauled.

Among the weapons captured by Saigon troops was one Chinese telephone, leading Mr. Waldmuth to comment, "The capture of a telephone indicates the incident may have been GVN (South Vietnamese government) initiated," as the NVA (North Vietnamese Army) does not customarily take telephones along on ground attacks.

In an incident May 16 in Phu My district, northern Binh Dinh Province, U.S. officials reported that a company of the 40th Regiment, 23d South Vietnamese Division "was on patrol, when contact was made with an unidentified VC force."

In the ensuing battle, 53 Communist soldiers were killed while only two South Vietnamese soldiers were wounded. Saigon troops also captured 104 weapons and "destroyed a VC battalion training center and a 105-mm artillery position."

Later in the day, other companies in the 40th Regiment killed 39 Communist soldiers, while only one South Vietnamese soldier was killed and one wounded. Suspicious because the casualty ratio was so remarkable, one report said, "The U.S. consul-general in Nha Trang suggests the 40th Regiment may have launched a 'pre-emptive operation'."

Picked Best Unit

That suspicion turned out to be correct as the next day's situation report explained: "Regional tactical operations center (TOC) in Nha Trang disclosed today that a patrolling company of 40th ARVN Regiment which killed 53 VC on May 16 . . . was actually not on patrol. According to most recent TOC version of incident, 23d ARVN Division . . . received firm intelligence on location of VC battalion-sized training center in northwestern Phu My district, picked best company in 40th Regiment for action, and made detailed plan for raid."

Although planning and carrying out a raid is an obvious cease-fire violation, the version of the incident which government military spokesmen released to the press did not indicate that.

© Los Angeles Times.

Immediately after the signing of the cease-fire agreement on Jan. 27 to help observe the truce and report on alleged violations.

At the end of the first 60 days, Canada, at the urging of all governments concerned, agreed to stay on for another two-month period, until May 31. Mr. Sharp said that any decision to withdraw would be on 30 days' notice. That would mean that Canadian observers, if withdrawn, could leave Vietnam on June 30.

Fewer Than 300 Probes

Michel Gauvin, who heads the Canadian truce contingent, has said that, while charges of violations "average 100 a day," the observers had made fewer than 300 investigations. He said that only 98 had been completed, and that fewer than half of those officially had been reported.

To call it quits in Southeast Asia is a popular attitude in Canada. But to withdraw too soon, it is widely said, might discredit Canada as a responsible member of the world society of peacekeepers and peacekeepers.

This is a responsibility not taken lightly in a country that joined every peacekeeping mission since the birth of the United Nations. But patience, Mr. Sharp has indicated, is wearing thin.

Emergency in Peru City

LIMA, Peru, May 27 (AP).—Peru's military government suspended constitutional guarantees Friday night in Santa Province after violence erupted for a second day in the provincial capital of Chumbivilca. Student groups stoned a police station and broke car windows.

SALE OF HAUTE COUTURE MODELS WITH LABELS

Always from the latest collections. Tax Free. Families allocations. 123 Rue La Botz (St. Germain) 2e Etage. 8374-47 4th Floor on the left (Open every day, except Sundays)

Do you know?

The M.S. RENAISSANCE of the "Compagnie des Croisières PAQUET" will leave LE HAYRE on June 12th, for a SPECIAL FRENCH-AMERICAN CRUISE IN THE BALTI.

You will discover Norway, Sweden, Russia, Finland, Poland and Denmark.

*All activities conducted in English.

For all information and reservations, please apply: COMPAGNIE DES CROISIÈRES PAQUET, 6 Boulevard Malesherbes, Paris (8e). Tel: 266-87-88, or your travel agent.

SALE OF HAUTE COUTURE MODELS WITH LABELS

Always from the latest collections. Tax Free. Families allocations. 123 Rue La Botz (St. Germain) 2e Etage. 8374-47 4th Floor on the left (Open every day, except Sundays)

SALE OF HAUTE COUTURE MODELS WITH LABELS

Always from the latest collections. Tax Free. Families allocations. 123 Rue La Botz (St. Germain) 2e Etage. 8374-47 4th Floor on the left (Open every day, except Sundays)

SALE OF HAUTE COUTURE MODELS WITH LABELS

Always from the latest collections. Tax Free. Families allocations. 123 Rue La Botz (St. Germain) 2e Etage. 8374-47 4th Floor on the left (Open every day, except Sundays)

White House Gives More Details on Nixon Lar

By John Herbers

MIAMI, May 27 (NYT).—The White House provided additional details yesterday regarding the financing of President Nixon's estate in San Clemente, Calif.

The White House disclosed Friday in response to numerous inquiries that the bulk of the estate was controlled by an investment company formed by Robert H. Abplanalp, a multimillionaire businessman who is a close friend of the President.

The company was formed to acquire and hold all but 5.5 acres and the house on the 25-acre, ocean-front property. The purchase price was \$1,249,900. The President and Mrs. Nixon acquired the property in 1969.

The statement issued Friday in Washington did not name the investment company, or give a breakdown of what improvements had been paid for by the government and by the Nixons.

Gerald L. Warren, deputy White House press secretary, said yesterday that improvements financed by the government totaled \$20,525 and were mostly dictated by security measures. The Nixons, according to Friday's statement, paid \$123,514 for improvements on the 10-room house and the 5.5 acres that the Nixons retained.

He listed the government improvements as follows:

For repairing a heating system, \$12,500; erecting a glass screen between the beach and the pool for security, \$12,946; for erecting a fence between the railroad tracks and the home, dictated by security, \$11,581, and for asphalt pavement between the house and White House offices, also security-connected, \$1,500.

Mr. Warren said that the wall

built around the entire 26 acres at government expense is merely on property owned by the Coast Guard. The White House offices are on Coast Guard property.

Mr. Warren said that Orange County, Calif., property records show no evidence that the property had been legally divided between the Nixons and the investment company because entire transaction is being

entire transaction is being tied by a trust and no records are required. He said after the mortgages have been paid off by both parties, deeds will be issued by county.

U.S. Civil Unit Calls '72 Campaign Dirtiest, a Threat to Free Society

WASHINGTON, May 27 (AP).—There was more dirty campaigning in 1972 than ever before with the Watergate conspiracy making a mockery of self-government, a Fair Campaign Practices Committee report says.

Watergate may be part of the reason for "the political sewage of 1972," it says.

The report, released today, said President Nixon has suggested that the Watergate affair is "only the latest example of the kind of shady tactics that politicians on all sides have been using more and more in recent years."

The report said, "A list of unethical and/or illegal campaign practices which have been associated with the break-in at the Democratic National Committee offices at Watergate . . . includes theft of campaign documents, electronic eavesdropping . . . falsification of letters and advertisements stacking of polls . . . spying on opponents, and attempts to cover up apparent crimes."

"In nearly 20 years of studying the political process, the Fair Campaign Practices Committee has uncovered no campaign tactics comparable in extent or in potential damage to a free, self-governing society."

The report also cited the Civil Service Commission report that complaints about federal employees violating the Hatch Act were one-third higher than in 1968 . . . and complaints about state and local employees violating laws against partisan political activity had nearly doubled. The Hatch Act bars federal employees from participating in politics.

The committee is a private, non-partisan organization. It receives complaints of violations of the 20-year-old Code of Fair Campaign Practices traditionally subscribed to by political leaders and many candidates.

He said the White House

vestment company because entire transaction is being tied by a trust and no records are required. He said after the mortgages have been paid off by both parties, deeds will be issued by county.

He could not be reached by telephone. His office in Lauderdale, Fla., said he, the Bahamas, and would be "out of touch" for two or three days. He was believed to be in the Bahamas.

The President frequently on Florida weekends with businessman friend, Clay Rebore. Although Mr. Rebore spends considerable time in California and Florida, he is at the presidential retreat, Camp David, for a favorite place to relax.

The White House stated last Friday that a Mrs. Nixon purchased the estate for \$1.6 million in a \$100,000 down payment, leaving to pay a portion of it.

Mr. Abplanalp helped with financing. At one point, it was said, the Nixons Mr. Abplanalp \$625,000 in notes.

Greek Capt. Sees Mutiny As Best Step

(Continued from Page 1)

NATO's eastern flank when half of his military officers are in jail and the other half are busy guarding them."

He said the idea of the mutiny had been in his mind ever since the military coup in Greece in April, 1967, but it was not until Thursday, when the Velos heard radio reports of a counter-coup attempt, that he decided to act.

Capt. Pappas said that "We don't belong to any political party, right, left or center. We are officers of the armed forces of Greece who have embarked on this action because we are faithful to our oath of loyalty to the Greek Constitution."

Haldeman, Ehrlichman Se Linked to Ellsberg Break-

(Continued from Page 1)

House officials know what the prosecutors have been doing with witnesses.

Gerald L. Warren, the deputy White House press secretary, denied that Mr. Nixon's statement last week that he connected in any way to the White House activities undertaken in response to the publication of the Pentagon papers. The statement said:

"The May 23 statement was clear in its purpose and its scope, which were outlined at the time it was issued. The claim made by the anonymous source in the story that the statement was designed for some other purpose is unfounded. The White House does not have access to grand jury proceedings."

"The prosecutors' thesis, in essence, is that the White House participated in covering up the bugging of the Democrats; not only for political reasons but also to insure that E. Howard Hunt Jr. and G. Gordon Liddy kept silent about their role on the 'Plumbers' team."

"According to a General Accounting Office report released on May 20, the cover-up included payments of more than \$450,000 to Hunt, Liddy and the five other defendants who were arrested last June 17 in the offices of the Democratic National Committee in the Watergate complex, and to their attorneys."

Liddy and James W. McCord Jr., part of the burglary team, were convicted at a trial in January after Hunt and the four others had pleaded guilty.

cover-up as "being made of whole cloth."

"We remain convinced," Mr. Warren said, "that no criminality on the Haldeman and Ehrlichman side of the government's going a hell of a time to them."

In other Watergate matters:

• The Senate Watergate investigating committee re suggestion that it press stately to find out if Mr. is involved in the scandal.

Samuel Dash, the co counsel, said the surge Sen. Herman Talmadge was discussed briefly at rejected. "The committee to proceed in an orderly we have been," Mr. Dash

Key Operatives

Liddy and Hunt are known to have served as the key operatives for the "Plumbers" and were responsible for planning the burglary of Mr. Ellsberg's psychiatrist, although it had been sanctioned at a higher level. In early 1972, both men were transferred to the Republican re-election committee, where they ended up directing the five-man Watergate break-in team.

The first indication of the prosecution's theory was contained in a four-page press release distributed Thursday by Harold H. Titus Jr., the U.S. Attorney for the District of Columbia, who is the direct superior of the three-man Watergate prosecuting team.

In the statement, Mr. Titus reported that the prosecutors planned to issue comprehensive indictments within 60 to 90 days; he further disclosed that one key witness, later identified as John Stuart Magruder, a former White House and re-election committee aide, had agreed to plead guilty and testify as a prosecution witness.

But Mr. Titus's statement also noted:

"The proposed indictment would focus on the obstruction of justice which occurred after the Watergate arrest on June 17, 1972, but will include criminal activities beginning in 1971, which together with the Watergate break-in motivated the massive obstruction."

In subsequent interviews with Justice Department officials, defense attorneys and White House officials, it was asserted that the prosecutors had definitely established the link between the 1971 Plumbers' team and the subsequent Watergate cover-up.

Sources also said that the government tentatively planned to indict the ring leaders of the conspiracy—said to include Mr. Ehrlichman and Mr. Haldeman—and bring them to trial in a group.

"We're going to have our own domestic Nuremberg trial," one official said.

A spokesman for Mr. Haldeman and Mr. Ehrlichman, who are jointly represented by John J. Wilson, a Washington lawyer, described the prosecution's theory linking the 1971 "Plumbers" operation to the 1972 Watergate

• Fire of the convicted case conspirators were tried in secret to the Federal Criminal Institute in 1 Columbia Jail.

The five are Bernard L. 55, Eugene M. Martin, Frank A. Sturgis, 37, V. Gonzalez, 45, and E. Howe Jr., 54.

• Newsweek magazine's this week's issue, the House agents "made sure entries to undermine a fence" in at least three cases although such entries were forbidden.

The magazine did not the agents allegedly law the burglaries.

It said undercover "working for the admiral the entries in cashing the Black Panther, rigan brothers and the Seven."

The magazine gave details.

President Nixon reviewed he had approved a vowing surreptitious entries defense but said never been put into effect week said it had "national" temporarily.

The plan was vetoed by FBI Director J. Edgar H

• In an interview with magazine, former White aide John W. Dean 36, probably would not test if he knew if he is "The Senate Watergate gauding committee has immunity for Mr. De would prevent him from prosecuted on the basis thing he tells the commi the Justice Department's refused to go along.

Parasol Rig Cools Skylab

(Continued from Page 1)

cycles and sources of pollution. But, principally, the men of Skylab will be studying their own bodies and the medical effects of living for long periods in weightlessness. Scientists hope to learn how the body adjusts over many weeks to the lack of gravity, knowledge which is essential if man is to one day make month-long voyages to distant planets.

Earthbound listeners, accustomed to the constant space-to-earth communications of the Apollo moon missions, have heard only on-again, off-again communications with the Skylab-1 crew. The astronauts have voice communications with Mission Control only during short passes over a dozen ground stations.

Jim Kukowski, a NASA official from the Goddard Space Flight Center in Maryland, said Skylab's communications system was the product of simple physics and money mathematics.

"It would require 60 tracking stations around the world to maintain constant communication with Skylab," Mr. Kukowski said. "Otherwise, we just couldn't do it."

After an Apollo ship was about 10,000 miles from the earth on a journey to the moon, it was always in line with one of three giant radio receivers, he said. But Skylab, in orbit only 370 miles above the earth, must contend with such communications barriers as the earth's horizon and mountains.

Regime Claim Denied

He said: "I want to add that the Greek regime presents itself as representing the armed forces, but it is a big lie. The 1967 coup d'etat was done by just a few self-interested officers."

All the Velos's 778 men pronounced themselves against the situation in Greece "as one man," Capt. Pappas said.

But he said he had ordered as many as possible to stay on board and return to Greece. "I thought it would be too big a problem for Italy and for myself if I had taken 270 people ashore."

"So I ordered: 'as many as I could, particularly those with families, to stay on ship,'" said Capt. Pappas.

But he said he had ordered as many as possible to stay on board and return to Greece. "I thought it would be too big a problem for Italy and for myself if I had taken 270 people ashore."

"So I ordered: 'as many as I could, particularly those with families, to stay on ship,'" said Capt. Pappas.

Catholic Group Urges Amnesty

WASHINGTON, May 27 (UPI).—A group representing 40,000 Roman Catholic priests and brothers called today for universal and unconditional amnesty for violators of military conscription laws.

The group issued a statement asking a government proclamation that all those in prison, exile or underground are free to return to their homes "except from all legal prosecution for whatever actions they may have felt obliged to take regarding participation in the Vietnam war."

The appeal was issued by the National Executive Board of the Roman Catholic Conference of Major Superiors of Men, a body that speaks for the religious orders. The statement is more liberal than the position advocated by the nation's Roman Catholic bishops, who have twice issued a call for conditional amnesty, limited to those who have been imprisoned as selective conscientious objectors.

Reference of King

ATHENS, May 27 (NYT).—Two Athens newspapers reported today that the government had decided to hold a nationwide referendum soon to determine the future of self-exiled King Constantine.

The newspapers, Eleftheros Kosmos and Akropolis, both supporters of the government, deplored the 33-year-old king's refusal to condemn last week's military in the Greek Navy. They said that his silence implied that the plot had royal blessing.

Hanoi Criticizes France's Ties

TOKYO, May 27 (AP).—North Vietnam has criticized France for re-establishing diplomatic relations with South Vietnam while "keeping a negative attitude toward establishing relations with the Viet Cong's Provisional Revolutionary Government."

The official Communist party newspaper said Friday that the existence of the FRG was affirmed in the Paris peace agreement for Vietnam, "to which the French Republic is a party."

The paper's commentary, broadcast by the official Vietnam news agency, said: "How can an act be called right which favors the Saigon administration now making the Viet Cong war moves in opposition to democratic liberties and national concord?"

Viennese Vote To Spare Trees

VIENNA, May 27 (AP).—A dissenting committee, supported by the mass media, scored a victory last night when a referendum here ended in a majority vote against building a university institute in an urban park.

Construction of the sociology institute in the Vienna Sternwart (Observatory) Park area would have led to the felling of 70 trees, while the major part of the park—hitherto closed—would have been converted for public use.

About one third of the Vienna electorate—410,848 voters—participated in the referendum, which is not provided for in the city charter. The referendum results were 87.4 percent "no" votes and 12.6 percent "yes."

WEATH

ALABAMA	20	5	0
ALASKA	21	70	9
ARIZONA	21	70	9
ARKANSAS	21	70	9
CALIFORNIA	21	70	9
COLORADO	21	70	9
CONNECTICUT	21	70	9
DELAWARE	21	70	9
FLORIDA	21	70	9
GEORGIA	21	70	9
ILLINOIS	21	70	9
INDIANA	21	70	9
IOWA	21	70	9
KANSAS	21	70	9
KENTUCKY	21	70	9
LOUISIANA	21	70	9
MAINE	21	70	9
MARYLAND	21	70	9
MASSACHUSETTS	21	70	9
MICHIGAN	21	70	9
MINNESOTA	21	70	9
MISSISSIPPI	21	70	9
MISSOURI	21	70	9
MONTANA	21	70	9
NEBRASKA	21	70	9
NEVADA	21	70	9
NEW HAMPSHIRE	21	70	9
NEW JERSEY	21	70	9
NEW YORK	21	70	9
NORTH CAROLINA	21	70	9
NORTH DAKOTA	21	70	9
OHIO	21	70	9
OKLAHOMA	21	70	9
OREGON	21	70	9
PENNSYLVANIA	21	70	9
RHODE ISLAND	21	70	9
SOUTH CAROLINA	21	70	9
SOUTH DAKOTA	21	70	9
TENNESSEE	21	70	9
TEXAS	21	70	9
UTAH	21	70	9
Vermont	21	70	9
VIRGINIA	21	70	9
WASHINGTON	21	70	9
WEST VIRGINIA	21	70	9
WISCONSIN	21	70	9
WYOMING	21	70	9

THE NEW YORK TIMES

It is a dismal augury for the broad Atlantic

© 1972 International Herald Tribune. All rights reserved.

الهرات

Letter to Heads of State

Obote Breaks Silence, Says Uganda Committing Genocide

ES SALAAM, Tanzania, (UPI)—Milton Obote, as president of Uganda since 1971, by a military coup, has broken a 28-day silence to accuse his successor, Idi Amin, of the murder of thousands of Ugandans.

Uganda Says Invasion

ABABA, Ethiopia, May 27 (UPI)—Ethiopia and Uganda yesterday announced a 28-day ceasefire, but the Organization of African Unity, which had been preparing an invasion and then Libya accused of supporting white regimes in Africa.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

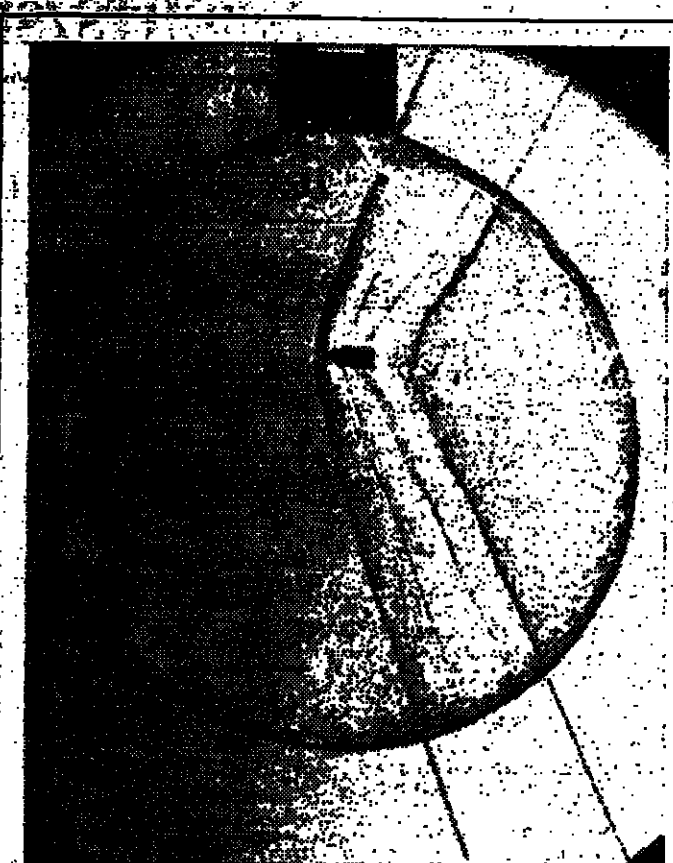
Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.

Libya's support of Israel, the OAU delegates to the summit, acting Foreign Minister Zaid, called for the OAU headquarters in Addis Ababa and the seven-day ceasefire and other with Israel by all OAU states.



ULTRA-HIGH-SPEED PHOTOGRAPHY at Massachusetts Institute of Technology's stroboscopic light laboratory caught this .22-caliber bullet causing a hole in a soap bubble. As can be seen, the bubble did not even begin to disintegrate until the bullet had nearly made its exit. The time exposure used was one-half a microsecond, or half of a millionth of a second.

Life in Peking More Relaxed As Political Climate Eases

PEKING, May 27 (Reuters)—The grains of a Strauss wait played on an accordion waited over a park in central Peking recently.

Formerly taboo subjects such as sex and crime are being discussed more with visitors. A U.S. law professor recently witnessed divorce proceedings in Peking in which adultery was charged.

In the past, Chinese have been reluctant to admit that there was any but the most casual incidence of crime, and there seems to be less here than in many countries.

However, the chairman of a department store's revolutionary committee recently admitted that there was some loss through theft and shoplifting, though he claimed it was not much.

Other signs of relaxation include the opening of the western hills near Peking to resident foreigners, the dropping of the word "revolutionary" from a radio broadcast called until recently the "Revolutionary Cultural Program," and radio lessons in English.

Visitors to the northeast China city of Shenyang reported that women are wearing stylish outfits. In films new documentaries are playing down ideology.

Chiang Ching, the wife of chairman Mao Tse-tung, remains China's cultural overlord, however, and there has been little change in the fare of revolutionary operas and ballets.

Of the many buildings going up in Peking—sometimes at the expense of charming old houses and courtyards—some are hotels and apartment buildings for the burgeoning foreign community.

But despite the presence of a U.S. liaison office here, some anti-American slogans remain. One, near the Soviet Embassy, says "Crush American imperialism and all its running dogs."

Observers believe the new climate will not bring a change in the battle against creeping capitalism or revisionism. "Economicism," or the provision of material incentives, is still condemned in the press.

Mr. Yarrow served with the U.S. delegation to the first United Nations conference in San Francisco in 1945 and was a special assistant to John Foster Dulles. For the next seven years, he was associated with the law firm of Sullivan and Cromwell. In March 1952, he joined Free Europe, Inc., as director of the division of exile relations.

Oil States, Companies Meeting Today to Break Price Dispute

By Clyde H. Farnsworth

VIENNA, May 27 (UPI)—The major oil-exporting nations and the biggest petroleum companies have backed away from a showdown over oil prices and decided to continue to negotiate their differences.

The issue that caused the crisis is the extent to which the dollar price of oil should be raised to compensate the exporting nations for the loss of purchasing power resulting from the devaluation of the dollar in February.

When negotiations broke down in Tripoli, Libya, earlier this month, it appeared that the exporters, organized in a bloc known as the Organization of Petroleum Exporting Countries, would take measures that would hit oil consumers throughout the world.

The 11 OPEC countries, producing 80 percent of the oil supplies in international trade, met this weekend to consider sanctions against the companies.

Within 24 hours of the gathering, the big companies—such as Exxon, Texaco, Gulf and Mobil in the United States and British Petroleum and Shell in Europe—signaled their willingness to resume talks.

In a communiqué issued early this morning, OPEC said it would meet the companies to resume bargaining in Geneva beginning tomorrow.

On Feb. 13, after waves of speculation again rocked world commodity markets, the United States devalued the dollar by 11.1 percent. It was the second devaluation in less than 14 months. Because oil prices are negotiated in dollars, OPEC demanded a new pricing schedule to the full extent of the devaluation, and then some, but the companies resisted giving more than an 8 to 9 percent increase.

Financed by Consumers

While only a few percentage points seem to be at issue, the stakes involve many hundreds of millions of dollars that eventually would have to be financed by consumers in the West.

The 11 countries of the exporters' bloc—Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia and Venezuela—export more than 20 million barrels of oil daily.

The United States bought 10 percent of the total in 1971 and because of the emerging energy crisis its needs are expected to increase sharply during the next decade.

While agreeing to meet with the companies, OPEC said it would meet the companies to resume bargaining in Geneva beginning tomorrow.

Mr. Yarrow was born in Russia and attended the universities of Krakow and Odessa. He came to the United States in 1922 and three years later received a bachelor's degree at New York University. In 1928, after graduating from Columbia Law School, he entered the private practice of law.

Mr. Yarrow served with the U.S. delegation to the first United Nations conference in San Francisco in 1945 and was a special assistant to John Foster Dulles. For the next seven years, he was associated with the law firm of Sullivan and Cromwell. In March 1952, he joined Free Europe, Inc., as director of the division of exile relations.

He was elected vice-president of Free Europe in February, 1954, and senior vice-president in January 1957, serving in that post until his retirement in January.

Dirk Foch

NEW YORK, May 27 (UPI)—Dirk Foch, 67, the Dutch composer and conductor, who was a protégé of Richard Strauss, died in Orselina, Switzerland, on Thursday.

Mr. Foch was born in Batavia, Java, where his father was governor-general of the Dutch East Indies. He studied music and composition in Amsterdam and Germany and began his career in Sweden, conducting the Göteborg Symphony from 1913 through 1915.

Bullet Kills Boy at Play In N. Ireland

5 Persons Wounded, Bombs Rock Belfast

BELFAST, May 27 (UPI)—A 3-year-old boy died and four men and a woman were wounded in shooting incidents in Belfast during the weekend as bombs rocked the city and other communities, police said today.

The boy, Paul Cronin, was hit in the head by a stray bullet while playing in the garden of his home in the Catholic Andersonstown district when two gunmen fired on a mobile army patrol yesterday, the army said. He died in a hospital.

His death was the 808th in violence against Northern Ireland's minority Roman Catholics, mostly Protestants and security forces since August, 1969.

Four gunmen fired eight shots at a couple waiting for a cab while a fifth man planted a bomb outside a nearby Catholic pub. The man and woman were only slightly wounded, police said.

The bomb exploded 10 minutes later, badly damaging the pub but causing no casualties.

Another Pub Attacked

In South Belfast, two men in a car hurled a grenade through the window of another Catholic pub, the Elbowroom, and opened fire on a passerby as they sped away. They hit the man in the chest, seriously wounding him, police said.

Earlier, two men were found with gunshot wounds in the leg in East Belfast. One of the men was found in the morning and the second in the afternoon.

In other bombings yesterday, three armed men planted a bomb in the cellar of the Ardmore Hotel in the border town of Newry, 33 miles southwest of Belfast. The explosion caused heavy damage but no casualties.

A bomb-laden car blasted a supermarket and nearby shops in Lisburn, 10 miles to the east of Belfast, after army experts failed to defuse the bomb and carried out a controlled explosion.

A bomb found in a café in Portadown, 35 miles southwest of Belfast, was exploded harmlessly.

By Theodore Shabad

MOSCOW, May 27 (UPI)—An official Soviet publication has hinted for the first time, perhaps inadvertently, at the magnitude of grain imports last year after a serious crop failure.

The Soviet Journal of Foreign Trade, in an article on the history of the government's grain trade agency, notes the big increase in business last year and in the process, gives away a secret that the Kremlin has been trying to keep from its people.

The article includes figures suggesting that as much as 15 million tons of grain were imported into the Soviet Union last year. That would be roughly one-half of the 28 million tons reported by supplier nations to have been contracted for by the Soviet government for 1972 and 1973.

The article on the history of the Soviet grain trade agency, known as Exportkhleb, reports large Soviet grain imports in 1963 and 1965 after bad crop years under Nikita S. Khrushchev, but says nothing about the even larger purchases that followed last year's failure.

An attentive reader, however, would notice that the article speaks of an increase in total grain business from 13.9 million tons in 1971 to 21 million tons in 1972.

That, combined with the statement that Soviet grain exports reached a record level of 8.5 million tons in 1971, suggests that last year's increase was entirely in imports.

In fact, other Soviet data al-

Rifai Named Premier by King Hussein

By Juan de Onis

BEIRUT, May 27 (UPI)—King Hussein of Jordan yesterday accepted the resignation of Premier Ahmed al-Lawzi and asked Zaid Rifai, his closest political adviser, to form a new cabinet, according to Radio Amman.

Mr. Rifai was the target of an assassination attempt and was slightly wounded in London last year by a group believed to be Palestinian extremists. He is known for his strong stand against Palestinian guerrillas and was influential in their expulsion from Jordan in 1970 and 1971.

The cabinet change was expected. King Hussein frequently rotates political figures in ministerial posts. Mr. Lawzi became premier on Aug. 21 of last year. Premier Rifai and members of his government were sworn in last night by King Hussein.

The new government includes seven members of the outgoing cabinet, 11 others who are taking posts for the first time, including Mr. Rifai, and a former minister.

No Change Seen

Since the Jordanian government has been firmly opposed to any guerrilla activity from its territory against Israel, the office of premier under Mr. Rifai suggested no change. However, there may be some attempt to improve Jordan's difficult relations with Egypt. The two countries do not have diplomatic relations.

Mr. Rifai was a schoolmate of King Hussein's in Alexandria, Egypt, where both studied at a private school. Mr. Rifai went to study law in Egypt and has close personal relations with influential Egyptian political figures.

Since returning from London, where he served as Jordan's ambassador for two years, Mr. Rifai, who is 38, has been the king's private counselor for political affairs.

French Bar Entry To A-Test Foes

BRUSSELS, May 27 (AP)—More than 190 marchers opposed to French nuclear tests in the Pacific were blocked yesterday by French police at the border post of Watelcross near Roubaix, northern France.

A hundred French pacifists who had gathered on the French side of the border were dispersed by riot police. The international group, which left London May 13, had planned to reach Paris by next Friday, but French authorities have banned their entry. They decided to sit in at the border pending further action.

A French member of parliament from Tahiti, Francis Sanford, spoke to the marchers. He supported their action and claimed that nuclear tests were damaging to health.

CHUNN Perfumes

Universal Gifts, Gloves, Regs. Gaudin export discount 48 RUE RICHELIEU, PARIS.

Baathists, Allies Win in 1st Syria Vote in 10 Years

DAMASCUS, May 27 (UPI)—The ruling Baath party and its Communist and Socialist allies have won Syria's first parliamentary election in 10 years, taking two-thirds of the seats, unofficial results showed today.

The elections, in which 331 candidates contested the 198 seats of the Peoples Council, were held Friday and yesterday. They were the first since the Baath party seized power in 1963.

In a statement broadcast by Damascus radio and television, Interior Minister Ali Zaza announced the names of the winning candidates.

The Baathists and their allies, running on a unified "National Progressive Ticket," also won 10 of Syria's 15 governorates.

Government sources said parliament will meet next month. The cabinet will resign in accordance with the Syrian Constitution, to make way for a new government. Newsmen said about 40 percent of the eligible 2.3 million voters took part in the polling.

AT LONDON AIRPORT Sheraton just opened a great international hotel right at London Airport.

Special economy rates, too. For just \$11.70* a day you can enjoy the new Sheraton-Heathrow. Free courtesy transport service to and from all terminals and Central London. Explore the countryside. Windsor, Hampton Court, Stratford, Oxford, Winchester, Cambridge and Runnymede are an easy drive away. Stay at the Sheraton-Heathrow. Year round heated pool, sauna, and "The Footlights" discotheque and pub.

For reservations in the United Kingdom, ask operator for Freefone 2087. In Paris, call 255.42.63. In Frankfurt, call 29.22.15. In Brussels, call 13.30.73. In Rome, call 68.66.38. In Madrid, call 222.6357. In Amsterdam, call 23.65.65. In Düsseldorf, call 1.46.51. In Hamburg, call 34.24.45. Or have your travel agent call.

Sheraton-Heathrow Hotel
LONDON AIRPORT

*per person, per day, double occupancy, E.P., based on £9.0 plus taxes and service.

FOR SALE

ELECTRIC VEHICLES

16 Electric Cars, 9-Passenger and 4-Passenger, made by OTIS especially for the "Salon Aéronautique de Bourges" used only 10 days. Delivery on June 1st complete with battery, charger and spare parts.

Contact: P.A. PUTZIGER at SAKBY, 40 Rue de Porillon, Paris. 357.65.30

Internal Security Loss Seen

Hoover Ban in 1966 Cut Down FBI Bugs

By Sanford J. Ungar

WASHINGTON (UPI).—The undercover FBI operations suspended by J. Edgar Hoover in 1966 included "special programs" involving wiretapping, hidden microphones and mail drops, a ranking Justice Department official said last week.

The "programs," which the official said had been in effect for years under both Democratic and Republican presidents, had long been considered an essential part of the FBI's work in national security and counter-intelligence cases.

He contended that they were especially useful in efforts to identify illegal aliens suspected of involvement in espionage against the United States, but explained that they were used also to forecast "racial riots" in the cities and "uprisings" on college campuses.

Confirming parts of President Nixon's statement Tuesday on the Watergate affair and "national security operations," the official said that Mr. Hoover suddenly withdrew authority for the activities in 1966 without giving any explanation.

Security

As a result, he insisted, "J. Edgar wiped us out, in the internal security field."

Within a short period of time, he added, the FBI lost some in-

formants who felt they were not getting enough support from the bureau and "it became very difficult for us to cope with espionage."

FBI sources, as well as the Justice Department official, confirmed that the special program of "specific options for expanded intelligence operations" referred to by Mr. Nixon on Tuesday—which was drafted in 1970 but abandoned at the last moment because of Mr. Hoover's objections—would have reinstituted the suspended activities with only "slight variations."

But the official added that L. Patrick Gray 3d, acting on his own, resumed some of the "special programs" during his tenure as acting FBI director from shortly after Mr. Hoover's death in May, 1972, until about a month ago.

'Some Increases'

Specifically, he said, Mr. Gray authorized "some increases" in FBI wiretapping.

It was not possible to determine, however, what policy has been adopted by William Ruckelshaus, who was named acting FBI director after Mr. Gray resigned. Mr. Hoover's reported restrictions on what the FBI could do are part of a long-standing debate within the bureau over the man who was its director and embodied its image for a half-century.



J. Edgar Hoover: "Everyone afraid of him."

Although Mr. Hoover frequently has been attacked by civil libertarians for the extent to which he plunged the FBI into domestic political surveillance, a substantial number of persons—present and former bureau employees—believed just the opposite: that Mr. Hoover, in an apparent effort to protect his image, began to change operations in the late 1960s.

Some long-time FBI officials were shocked to find Mr. Nixon, a Hoover supporter from his earliest days as a congressman in the late 1940s, coming down Tuesday on the side of Mr. Hoover's critics.

Discussing the "special programs" suspended by Mr. Hoover in 1966 and almost resumed in 1970, the Justice Department official interviewed last week said that they included "planting microphones" and "getting things

from inside places" that were under surveillance, as well as the use of covert mail drops.

Mr. Nixon's Tuesday statement made reference to "authorization for surreptitious entry—breaking and entering, in effect—on specified categories of targets in specified situations related to national security" as part of the 1970 plan vetoed by Mr. Hoover.

The Justice Department official said it was especially perplexing that Mr. Hoover's 1966 actions inhibited the pursuit of illegal aliens suspected of espionage. "They don't have any rights of any kind," he said. "They are in this country illegally."

As for Mr. Hoover's single-handed ability to prevent the White House from launching its 1970 plan, the Justice Department official said, "I don't need to tell you what he had. Everyone was afraid of him."

McCord Now Breathes Easier

Getting the Watergate Off His Shoulders

By Robert L. Jackson

WASHINGTON.—"Dad when are you going to tell the truth?" the oldest children of Jim McCord asked their father, time and again, last summer and fall.

It was an agonizing question for McCord, a devoted family man.

"I'm going to tell the truth at the propitious time," he replied. Recounting the story recently to a visitor at his home, McCord seemed relieved that the truth of Watergate is finally emerging. He is a man at peace with himself.

For James W. McCord Jr., the man whose dramatic courtroom letter ripped open the scandal, the Watergate break-in was no adventure. It was a serious operation authorized by the highest officials of government, or so he believed.

McCord's career has been one of federal service. He spent 19 years in the CIA and four as an FBI agent. He is a retired Air Force colonel with a son, Mike, 21, attending the Air Force Academy.

In recent weeks, McCord, 49, has told of his Watergate involvement—and implicated others—in closed-door sessions with Senate investigators and a federal grand jury.

McCord's letter to Judge John J. Sirica, which Judge Sirica read in open court March 23, charged that political pressure was exerted on the seven defendants to plead guilty in the break-in at Democratic party offices in the Watergate building that administration officials had prior knowledge of the bugging and that perjury was committed at the trial.

The letter led Judge Sirica to postpone McCord's sentencing, pending his further testimony to the grand jury and the Senate. From there the Watergate case broke wide open.

At home in his family room



James W. McCord

with a fire in the heart, McCord spoke softly but intensely about the reasons for his actions.

He continued to receive cash payments after his arrest, he said, because he felt like "a prisoner of war." A captive whose government—or in this case, administration—was standing behind him.

But as his January trial approached, he saw the payment as an effort to insure his silence, and he said he stopped receiving them. He was also outraged, he said, when proposals were advanced to blame the CIA, an agency he reveres, for this domestic bugging episode. He refused to go along with "a phony defense."

"When this play failed, I was under pressure to plead guilty," McCord said, "but I wasn't going to turn on the other defendants and be responsible for putting them behind bars."

"If I pleaded guilty, there was no hope. I said, 'I'll take my chances with a trial and hope for a fair trial.' I wanted to avail myself of the same rights and citizen as the same rights," McCord said, he told his attor-

ney, Gerald Aich, he would be glad to take the witness stand. But Mr. Aich, McCord said, decided his "defense posture" would be better, and his rights of appeal better protected, if he did not testify.

"But the trial turned out to be a mock trial situation where critical testimony was perjured," McCord said.

"It wasn't the fault of Judge Sirica. He did everything he could to get at the truth. 'Liddy' [G. Gordon Liddy] was made out to be the whole show. I felt men were being sacrificed. I felt a sense of injustice about the whole business."

"My conception of justice was that everybody ought to be on trial or nobody should be on trial."

Worried for Daughter

McCord's five weeks in the antiquated District of Columbia jail after his conviction were hellish, he said. He was particularly concerned about his younger daughter, Nancy, 17, who attends special education classes.

Father and daughter are particularly close. McCord drives her to school most mornings and spends Sunday afternoons with her at her home. The McCords also have an older daughter, Carol Anne, 19.

As a well-known prisoner, McCord spent hours in the jailyard listening to the problems of other inmates and occasionally helping them draft legal writs. He also thought about his own case.

Of his letter to Judge Sirica, which he composed soon after he was released on bail, McCord says:

"I wrote it alone, without even telling my attorney."

The two-page letter led to his additional revelations before the Watergate grand jury and the Senate.

The letter, typed by McCord, contains many typing errors, each

of them carefully initialed in the margin by McCord.

An intelligence agent and later a bomber during World War II, McCord was an FBI agent in San Diego and San Francisco from 1948 to 1961. He then joined the CIA, where his specialty was protecting U.S. embassies overseas from being bugged by other countries.

He retired as the agency's chief of physical security in 1970 with a distinguished service award "for outstanding performance," and became a private consultant.

Likes Documents

Consistent with his career as a security specialist, both at the CIA and then at President Nixon's campaign committee, McCord evinces great respect for documents.

He has given the Senate's Watergate committee many memoranda of his recollections, and he frequently referred to notes during his nationally televised testimony.

Even as a hobby, McCord deals with documents. He and his wife, Ruth, enjoy genealogy research. They dig through files at the National Archives to trace family histories.

Despite the pressures of the past year, including fears for his life, expressed by family and friends, McCord remains hopeful he can one day resume his daily trade, a security consulting business he founded on retiring from government. He faces sentencing by Judge Sirica on June 15.

Remarkable on his career, which included counter-espionage work during World War II, a friend recently suggested:

"Well, Jim, you've been involved in a lot of dangerous operations."

McCord turned to his wife with a wry smile.

"Or damn foolish ones," he said.

Los Angeles Times

Brain Waves and Learning Disorders

By Marlene Cimons

WASHINGTON.—It is a box, about 12 inches high, 8 inches wide and 24 inches deep. There is a screen in the middle and the whole thing is connected to a headband and a series of electrodes. A child is seated and the electrodes are attached to his head. While he watches a flashing light, an amplifier magnifies his brain waves onto the screen.

It is a painless test which takes about five minutes and the results, his inventor believes, can revolutionize the detection of learning disorders.

Dr. John Erti, former director of the Center for Cybernetics Study at the University of Ottawa, calls his machine a neural efficiency analyzer.

He explained the machine's two basic functions:

"It measures the rate of speed with which the brain processes information, or responds to a stimulus, and it measures the synchronization between the two halves of the brain. In normal people—those without brain damage or learning disorders—the left side of the brain is well synchronized with the right side of the brain."

"We have found that in children suffering from a variety of learning disabilities, a substantial number of them have a disturbance in the communication between the left and right sides of the brain. The analyzer can detect the difference between both sides—and if it is greater than a certain value, we can be pretty sure that there is something wrong."

Other Factors

The results, however, can be distorted if the subject thinks, is excessively tense, unusually relaxed, on drugs or alcohol in large quantities, or has a severe thyroid condition. But, according to Dr. Erti, these conditions have an effect on the machine which is noticeable to the skilled operator.

"It can see that it is not a normal brain wave, and he can either remove the condition or choose not to administer the test."

The machine is not designed to measure intelligence or IQ, Dr. Erti said, nor is it meant to serve as a substitute for either type of test.

"I would like to see it used in the classroom to make an immediate feedback on the student's learning efficiency," he said. "It is for the early detection of learning disorders. It won't cure anything, but it will help spot the problems on a large scale."

Although Dr. Erti's machine has been in existence for more than a decade, it has not yet caught on. Dr. Erti is convinced that it works but admits that he is unable to provide unequivocal data at this time to prove his theories.

"I have tested about 5,000 or 6,000 children, but not in terms of a prediction of what will happen

for them," he said. "Someone usually comes to me and says, 'I think this child has learning disabilities.' So I've tested the child and found great differences between the sides of the child's brain. I've done it over and over again, and have gotten the same results."

Device Criticized

A 1968 study, however, conducted by the Education Record Bureau on more than 1,000 school children in Mount Vernon, N.Y., was critical of the Erti machine. The study, funded by the Ford Foundation, attempted to find a correlation between the machine results and scores on the pupils' achievement or additional mental ability tests, similar to Stanford IQ tests. Dr. Frederick B. Davis, education professor at the University of Pennsylvania, ran the study.

"We found that Erti's technique showed no promise in either estimating the mental ability scores of the pupils or estimating their current or future performance in school," Mr. Davis said. "We did not, however, try to determine whether or not it could predict learning disorders. We were not looking for that. I can't help the way the study came out. We thought it would come out the other way, but it didn't."

Dr. Erti said the Davis study did not employ any of the principles now being used with the machine.

"It was an incompetent data collection," Dr. Erti said. "The equipment and the people involved simply did not collect reliable data. They did not use the machine correctly. I simply do not know what went wrong—but I am convinced that they did do something wrong."

Dr. Erti's machine is being used in the experimental programs, he said, at Parsons College, in Fairfield, Iowa, has one, and the Washington County, Maryland, school system is using another. The machines are leased for about \$300 a month and can be purchased for \$6,500 to \$7,000.

Enthusiastic Tester

Dr. David M. Miles, supervisor of testing in the Washington County schools, is enthusiastic about the machine's possibilities.

"It could make an immediate feedback on the student's learning efficiency," he said. "If the machine becomes accepted, we can go to a group of children who are not learning by the present methods. If we can positively identify them as having learning disorders—or not having learning disorders—we would know to look for other ways of approaching teaching."

"The biggest factor in learning is expectancy," Dr. Miles continued. "The expectancy of the teacher, parents, brothers and sisters. Often, what they expect is how the child performs. If a child has difficulty, and the

teacher decides the child can't make it in school, she may begin to treat him accordingly. Then the child begins to believe it. With this machine, we can spot it one way or the other—and know for sure."

His school system has tested about 75 children thus far in two schools. The results have not yet been evaluated.

"This is a trial," Dr. Miles said. "The results are nothing more than highly tentative at the moment. We're not sure yet, but it appears that a large percentage of children who have been identified by the machine, I think we can come to some reasonably firm conclusions within a year."

Los Angeles Times

Thousands Flee

Drought Toll Rising In Region of Sahara

By Thomas A. Johnson

KANO, Nigeria (UPI).—The animals die first—the cattle sheep goats camels—and then the people. First the old and then the children, the sickly. It was then we left. It was then we moved south for food and for water.

Abdull Traore recalled his recent move from the village of Gowa in Mali to the outskirts of this northern Nigerian city while he sat with his young son and daughter and his aged parents on the shaded porch of a half-built house. His wife went now and then into the brutal, noonday sun to tend cooking pots of sorghum. They had nothing else to eat.

"There is nothing left in the north," Mr. Traore said. "Everything is dead—there is only death in the north. The Traore family, prosperous camel raisers here in Mali, are among untold thousands of people fleeing the Sahel, the southern reaches of the Sahara, where the fifth year of drought and famine has reportedly killed millions of animals and, it is feared, thousands of people."

Statistics are unavailable in this, one of Africa's harshest and most inaccessible areas.

The dwellers of the Sahel region—an estimated 25 million people—normally subsist on their domestic animals and a much of a sorghum and millet crop as they can coax from the stubborn soil during brief summer rains that used to bring from 4 to 12 inches of rainfall a year.

Hardest hit by the drought is the belt of nations stretching from Mauritania to Chad and including Senegal, Mali, Upper Volta and Niger. Most of the refugees moving southward are Arabs and black Africans from these nations.

When will you go home? Mr. Traore was asked.

People Are Kind

"I don't know," he said. "The people are kind here. There is food here and there is water. We will try to find work and pray to Allah that we might return home when things are better."

Mohammed Ahmed and his two sons, Abdul and Unis, were part of four families of squatters in a vacant house further outside Kano. The families moved south from the village of Agades more than a month ago. Ahmed had been a tax collector in the village.

Discussing his new life as a refugee, Mr. Ahmed said "Sometimes we can earn a little money carrying water or guarding homes. But mostly it is people being kind to us, because they could carry their own water and guard their own homes."

In much of northern Nigeria, as well as Ghana, the Ivory Coast, Togo and Dahomey, the new refugees are becoming a new class.

Although West Africans pride themselves on their hospitality, some clashes have been reported between residents of the coastal nations and the newcomers. Some of the more serious were reported from the northern parts of the Ivory Coast where the refugees and their thirsty herds of cattle have fought with local farmers and herdsmen over the use of watering places.

Food is being sent into the affected areas by the United Nations—which is sending \$15 million worth of grain—and a number of foreign countries.

But the slowness of port facilities and rail and road transport has hampered the relief operations. So have poor communications.

Agricultural experts from the United Nations have noted that, while this region has historically experienced drought and famine, certain modern-day practices might have contributed to the severity of the current crisis. Some speculate that the attempt to grow dryland crops in these south Sahel soils, plus overgrazing by improved breeds of cattle, goats, and camels, might have destroyed the region's natural balance.

Total Eclipse on June 30

Sun's Corona on View From 'Darkest Africa'

By Walter Sullivan

NEW YORK (UPI).—An estimated 5,000 amateur astronomers and tourists, and 2,500 scientists are expected to converge on Africa in June for one of the three longest total eclipses of the sun in a period of 1,000 years. It will occur on June 30 and will last a maximum of 7 minutes and 8 seconds.

Some visitors will be housed in relative comfort aboard ocean liners and other craft off the coast of Mauritania. Others will be camped on the torrid shores of Lake Rudolf, in Kenya, where drinking water reportedly comes from 50 miles away and costs \$5 a gallon.

By far the most prolonged observation in history of an eclipse, making possible for the first time the extended recording of changes in the dynamic halo, or corona, around the sun, will be made from a Concorde supersonic transport that will chase the swiftly moving lunar shadow across Africa. The plane is expected to be in the shadow for about 80 minutes.

The corona can be seen in its full splendor only when the brilliant disk of the sun is eclipsed by the moon. While plates which can be inserted into the optical system of a telescope also can eclipse the sun, so much sunlight is scattered into the telescope by the atmosphere that only the innermost part of the corona is detectable.

Solar Gas

Since the corona manifests an outpouring of solar gas that has important effects on earth, a total eclipse of the sun is an occasion for intense coronal observations of many sorts.

During the 1,052-year ending in 2150, there will be 2,495 solar eclipses, one—on June 30, 1955—will be longer than that of June 30, 1973. The June 30 eclipse will have the same duration of 7 minutes and 8 seconds as the 1955 one was a few seconds shorter.

The duration is determined by the position of the moon's orbit around the earth and the position of the earth in its annual journey around the sun. Long eclipses tend to occur June because at that time the earth is relatively far from the sun and hence the solar disk viewed at or near its size.

If, at the same time, the moon is in the part of its orbit which brings it nearest to the earth against the sky is maximum size and can of the sun for a longer period. Under reverse circumstances, the moon is more distant and the eclipse is shorter.

Such an eclipse took place Jan. 24, and another will occur Dec. 24. In an annular eclipse the sun is still too bright viewing much of the corona. A total eclipse of the sun, international event. Expected from many nations are to converge on various sites along shadow path across Africa, will be concentrated near the ends of the path—Mauritania, the west and Kenya and the Ivory Coast in the east.

The reason is that the proximity to the sea makes for transport. One group from the Astronomical Observatory, for example, has five tons of equipment to ship.

Italy Sees Ray of Hope in Inflationary Climate

By Paul Hofmann

ROME (UPI).—The wife of a Roman doctor who went to a downtown shop recently to have her milk stored for the summer was kept waiting for nearly two hours because all hands were busy with customers eager to buy expensive fur coats as an inflation hedge.

A local reporter who wanted to find out whether a tourist could still live in Rome on \$5 a day said that he barely kept within that limit by sleeping in a youth hostel, drinking water from the public fountains, eating the cheapest lunch he could find—at \$2.30—walking a lot, staying away from museums and other attractions where there was a fee, and writing not a single postcard.

A five-room co-op apartment in a good neighborhood that last year could not be sold at \$75,000 has just been purchased at \$90,000, and the buyer nonchalantly signed a stack of promissory notes for the monthly installments.

Advice to Wives

The press is full of advice to housewives on how to beat soaring food prices. Sample: Forget weight-watching and eat more pasta, which is a much better value than meat, fish, rice, vegetables, fruit or almost anything else.

In prosperous Milan, people are converting their savings accounts into paintings, antiques, gold coins, rare stamps, high-class wines and large lots of smuggled Scotch whisky.

Bank accounts maintained by rich Italians in Switzerland, Liechtenstein and Luxembourg are said to be getting fatter every day. The governor of the Bank of Italy, Guido Carli, observed the other day that "there are a thousand ways of illegally transferring funds abroad."

In the inflationary climate, there is a ray of hope. Italy may be jolted out of the long economic stagnation that started in the autumn of 1969—the deepest and longest slump since World War II.

Exports Growing

Government spokesmen and many economists see signs of an increase in production. Exports are growing as the lira continues to be devalued—more than 10 percent since mid-February.

Inflation here appears to be picking up. Prices rose by 8.1 percent between January, 1973, and January, 1973, and the cost-of-living may increase 12 to 15 percent this year. "An almost Latin American inflation pattern," said L'Espresso of Milan, a weekly magazine.

But some top officials privately point to the example of one Latin American economy, Brazil's, as

evidence that seemingly runaway inflation can be curbed, and that a certain measure of inflation is compatible with vigorous growth.

Critics from the left wing, however, charge that the government has been treating a sick economy with the "drug" of inflation to give an illusory feeling of health and buoyancy. Conservative economists and Common Market experts are urging Italy to adopt an anti-inflation strategy.

According to all data, Italy is in the vanguard of European inflationary pressures and lacks the machinery—and apparently the determination—to curb wages and prices.

Russia Now a Party

To Copyright Accord

MOSCOW, May 27 (UPI).—After nearly 18 years, the Soviet Union today officially became a party to the Universal Copyright Convention.

Critics said the move was an evident attempt to curb the unauthorized outflow of dissident literature. Soviet spokesmen explained that the decision was in keeping with the current trend toward international relaxation of tensions. The government's intention to join the convention, signed in Geneva in 1952 and which became effective in 1955, was announced Feb. 27.

Yet for the first time since the fall of Fascism, organized labor is suddenly speaking about "self-regulation" by unions to avoid strikes that would further push up production costs.

This is the more significant as Italy lacks any legislation regulating strikes, and there is no prospect that any law limiting the right to strike can be enacted in the near future.

For several years, Italy has been losing a three-man-hour through walkouts than any other nation in the world. Thus, hints that the unions might restrain strike-prone workers has created mild euphoria among managers.

The nation's unions are watching the accelerating inflation wistfully—the Communist-led unions even more so than the non-Communist. In a series of hard struggles, they have won huge raises during the last several months, contributing to inflation, but they are now clearly afraid that the ballooning prices may annul the workers' gains.

An Italian-American financier remarked that "the inflation fever and the sudden hope for better labor-management relations have at least shaken this country out of the doldrums of the last few years."

"Now is the time to play one's cards right," he said. "There might even be another Italian miracle in the making."

Handwritten signature or mark at the bottom of the page.

NEWSLETTER ON THE SPANISH ECONOMY

Spain's Export Boom Roars Ahead

Spain's long boom in exports, particularly its industrial products, shows every sign of continuing impressively throughout the first quarter of this year. The Ministry of Commerce figures show that over-exports—agricultural products, industrial goods—rose by 18 percent by the end of March, industrial goods alone by 17 percent and that the whole is for a 15 percent over 1972's total export of close to four billion dollars.

As they are, these figures will not match the growth achieved last year when exports leapt by nearly 20 percent. But as trade officials in Madrid say, "We have become too accustomed to increases of around 20 percent. This year's will be lower, but it will be healthy nevertheless."

As this year will be of course, by rising prices, it-out from the international monetary situation and led heavy internal demand. The Spanish government has been too busy trying to bring down prices—difficult inflation is running at over 10 percent—by strengthening of exporting firms, by new markets, including of the Socialist countries, a national effort to raise quality as well as the quantity of this drive for quality adoption of the "Spain" or a wide range of goods, guarantee of quality was used only for Spain's famous export, the orange. Now the red roses will be added to other farm goods and industrial items. A new Ministry official, under the use of this label, we will be attaching shoes, to tins of tomatoes, and new, bright offices of the division of the Commerce in Madrid fit into the of higher-quality Spanish.

At his desk there, Garcia one of the senior aides Commerce Minister Enrique Codina, summed up the situation in these terms: "Final 1972 figures were factory. Normally when there

is an internal boom, exports slow down considerably. But in 1972 we had a booming economy and booming exports, although industrial exports did dip slightly. Prospects for this year are good. We have had a balance-of-payments revolution in Spain and we think that the old balance-of-payments bottleneck has disappeared for three to five years to come."

Imports still outpace exports, but Spain's many forms of "invisible" earnings—tourism, record-breaking tourism to repeated money from the millions of Spanish workers abroad—have led to the Central Bank accumulating reserves of close to 10 billion dollars.

With this sum in the background and with national growth again expected to reach 7 percent, there are no major fears for the Spanish economy. "The one dark cloud is that of prices. However, senior Dias says: "Our growth of productivity is compensating for the growth of prices."

Earlier this quarter the Banco de Vizcaya stated: "The outlook for 1973 in the production field is excellent and it is expected to reach a 7 percent increase in GNP, which is the average figure envisaged under the Third Development Plan. Along with the heavy investments made in 1972, the advantages of which will be felt during this year, there are also high hopes of a favorable climate in European countries and in the United States, which is bound to have a positive effect on developments in Spain. On the other hand, the high level of Spain's foreign currency reserves will ensure that the country's foreign trade can develop successfully and the stimulus of demand will improve the already excellent position in order books. The only thing which will mar an otherwise smooth development of the economy in 1973 are price levels. There do not appear to be any obstacles, either of a domestic or foreign nature to impede a favorable evolution of Spain's economy in 1973, at least during the first half of the year."

In its very latest reports of just a few weeks ago, the industrial bank had these further comments on the overall economic situation: "According to press reports, mention was made in discussions on the OECD report on Spain's economic situa-

tion of the influence which the present level of protection in the country's economy could have on international trade. OECD have described Spain's present level of protection as a historical opportunity for the country to open her frontiers and become integrated in the world economy. Spain's 1972 performance, combined with a look ahead at this year, strongly suggest faster removal of barriers to imports as a move which would restore a healthier balance of payments and put a stop to the price rises which would stimulate the general efficiency of the Spanish economy and assure the competitiveness of Spanish exports."

OECD states that the transformation of the Spanish balance of payments "gives the country the chance to take wide-ranging initiatives" and it compares the opportunities facing Spain with those "happily taken" in 1959 when the country began to open its economy to the outside and to integrate itself more closely into the world economy.

Spain is taking steps to lower tariffs. The main concern of the Commerce Ministry is to ensure that Spanish industry remains competitive, despite the handicap represented by non-membership of the EEC, Spain's main export market.

Spain has been seeking the renegotiation of its 1970 prefer-

ential trade agreement with the then six-nation Community. Minister Codina said last year: "The renegotiation of the agreement to adapt it to this new situation (the Community of Nine) is a primary objective of our commercial policy."

He added on that occasion: "With due precaution and after a period of transition, we believe that our economy is prepared to successfully meet the challenge of integration into Europe. . . . In the end, our best weapon for negotiation will be the capacity for development of our economy."

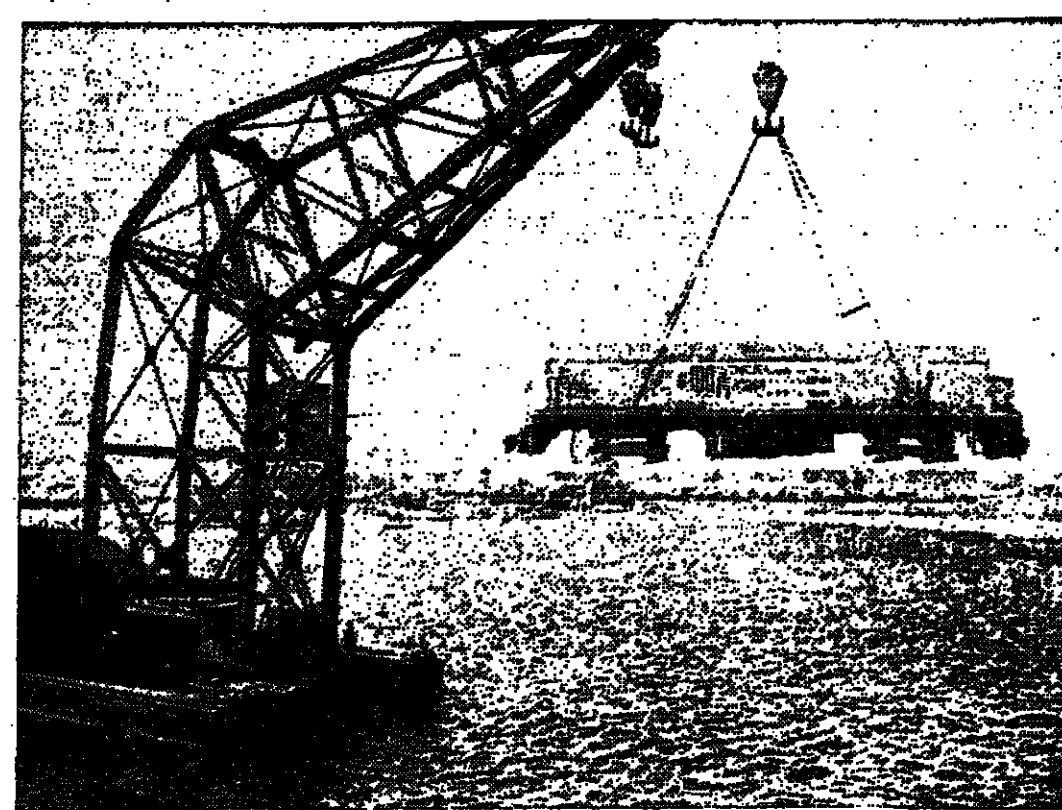
In December of last year Spain agreed with the EEC to continue the status quo for a year during which a new treaty would be negotiated. Now the view in Madrid is that a new treaty is doubtful this year if only because of the tremendous pressure of paper work and new arrangements following the enlargement of the Community. Spain hopes for an agreement similar to the one obtained by Portugal, namely for progressive moves toward industrial free trade and for concessions on some sensitive farm items. Spain, for example, is worried about the long-term effects on its European markets for oranges and wine. But already by next year Spanish industrial goods will enter the EEC with a 75 percent reduction in tariffs.

So the problems in the agricultural field are less evident in the industrial sector. Senior Dias

commented: "Our industry is still very competitive and we can still sell in Europe with present tariffs. We have few strikes, low wages and our productivity is growing."

There is no doubt that Spanish economic ties with the rest of Europe are strengthening and foreign companies, notably American, are increasingly seeing Spain as a low-cost manufacturing base for exporting to the EEC and elsewhere. The decision of the Ford Motor Company to open a major new plant in Spain is but one example.

Nearly one half of Spain's export trade is with the Europe of the Nine, but Spain is not ignoring other markets. There is a constant effort to improve sales to traditional markets in Latin America—be it ships to the Argentina, heavy hydro-electric equipment to Peru and Colombia or trucks to Cuba. There was the recent Atlantic Fair in Las Palmas designed to boost trade with African countries, but perhaps most spectacular has been the "approchement" with Peking, Moscow and other Socialist capitals. Major trade benefits have yet to flow, but there will soon be Spanish trade offices in Moscow, Peking and Pankov to augment those already in Prague, Warsaw and Bucharest. Mixed Spanish-Socialist trade committees have been at work and the Spanish government has invited Socialist buyers to Spain for a look around.



Embarkation at Barcelona of Diesel electric locomotives for Brazil.

Trucks and Buses for the World

THE news that Spanish Pegaso trucks are to be assembled in Chile confirms the steady growth of Empresa Nacional de Automociones S.A. (ENASA), heir to the old Hispano Suiza automobile constructor.

The Pegaso trademark was introduced by ENASA in 1946, the year it absorbed the factory and employees of Hispano Suiza Industries in Barcelona. Hispano had been a famous European carmaker since 1903, but there was no postwar demand for its famous limousines. So the same engineers and workers created the new Pegaso line and the first Pegaso vehicles appeared on the roads of Spain in 1946.

Manufacturing facilities, which covered some 50,000 square meters twenty years ago, have multiplied more than fivefold and personnel has jumped from 2,100 to 11,500.

In the first decade after 1946 the Barcelona plant was extended to include the manufacture of new Diesel engines, then the Madrid factory was enlarged and in 1970 work started on the new Barcelona plant for the building of steering mechanisms, gearboxes and axles.

Today the company has eight plants—three each in Barcelona and Madrid and others in Valladolid and Mataro-Barcelona. Production is more than 20,000 units a year.

The local market absorbed the entire output until 1962, but expanded production facilities enabled the company to go into the export business from 1963 on. Sales were recorded throughout Latin America and Cuba and in such different countries as Bulgaria, Rhodesia, India, Poland, Ghana and Egypt.

There are now altogether 63

different models of Pegaso industrial vehicles with carrying capacities ranging from 850 kg. to 38 tons and there are also 33 different models of buses.

Despite stiff competition from European manufacturers, Pegaso is taking steps to help its penetration of the European market. A spare parts depot has been established in Paris and service organizations have been formed in France, Germany, the Netherlands, Belgium, Switzerland and Denmark.

Elsewhere, Pegaso has dealer organizations in Colombia, Peru, Chile, Argentina, Cuba, Poland, Bulgaria and in various countries in Africa and the Near East.

Above all, the company has sought to remain faithful to the tradition of quality control launched by Hispano Suiza back in 1903 and employs one worker in ten on this end.

OECD Reviews Spanish Export Growth

THE Paris-based Organization for Economic Cooperation and Development (OECD) has just issued its latest report on the Spanish economy and it finds this to say about Spanish exports during 1972.

cause the differences in the existing obstacles for trade in this category of products were relatively unimportant given the competitiveness of Spanish products. The biggest market gain has been recorded in North America thanks

EXPORT PERFORMANCE		
COMPARATIVE EXPORT PERFORMANCE OF SPAIN AND THE EEC COUNTRIES, 1964-1971		
Yearly average market gains, in percent		
	World	EEC
Spain	5.5	4.4
Belgium	1.1	1.1
Germany	1.4	3.1
France	1.7	1.6
Italy	2.3	3.6
Netherlands	1.9	2.2

mainly to the very strong rise of exports of footwear. Indeed some 20 percent of the increase in OECD footwear sales to this market between 1964 and 1971 were Spanish products. This performance was the more significant, as Spanish products accounted for a relatively important part (14 percent in 1971) of the American market.

The export performance in the Common Market has not been very different from that in the American market. When total exports are considered, market gains in the EEC are, of course, much smaller but still considerable. Indeed, Spanish exports have for the average of 1964-1971 performed better than any of the EEC countries.

The Boom of Industrial exports:

"The only really new, but up to a certain point not wholly unexpected, development in external transactions since the Middle Sixties has been the spectacular progress of non-food exports. In 1968 after four years of gradual liberalization of the economy, industrial export accounted for just over one-third of total exports, which were mainly dependent on unprocessed agricultural produce (in particular citrus fruits, olive oil and fresh vegetables) and were, therefore, subject to wide yearly variations.

Some ten years later, in 1972, industrial exports accounted for nearly three-quarters of total exports, but still for only 6 percent of GNP, a relatively low rate when compared to an average of 16.5 percent for OECD European countries.

Such progress of industrial exports—on average by more than 35 percent per year between 1963 and 1972—represented a considerable penetration of Spanish industrial sales in world markets. In the course of the seven years to 1971, the share of Spanish industrial products in world markets more than trebled. Given the still small share of Spanish exports—only 1 percent of total OECD exports in 1971—and the limited number of products exported in important quantities, a detailed analysis of "export performance" is not probably very meaningful. At a certain level of aggregation, it can, however, throw some light on important aspects of the development of exports.

It is, thus, significant to notice the considerable market loss of agricultural exports in European markets in the last seven years—especially in the EEC—which was not fully offset by important gains in the United States and in non-OECD countries. This seems to reflect the effect of the preference system of the Community for trade of agricultural products rather than the inadequacy of Spanish supply to foreign demand or price differentials.

An important change had been taking place at the same time in the structure of Spanish agricultural exports. Processed food has accounted for an increasing share of total food exports, which rose on average by about 9 percent per year, whereas total agricultural output (in volume) progressed at an annual rate of 2.5 percent.

With regard to prices, if anything, the differential was in favor of Spain. There seems little doubt, therefore, that if unfettered by trade restrictions the growth possibilities of Spanish food exports would be rather considerable, given their competitiveness both with regard to prices and commodity composition.

Contrary to agricultural export, the performance of industrial exports was more even and widespread between the different regional markets, probably be-

cause the differences in the existing obstacles for trade in this category of products were relatively unimportant given the competitiveness of Spanish products. The biggest market gain has been recorded in North America thanks

mainly to the very strong rise of exports of footwear. Indeed some 20 percent of the increase in OECD footwear sales to this market between 1964 and 1971 were Spanish products. This performance was the more significant, as Spanish products accounted for a relatively important part (14 percent in 1971) of the American market.

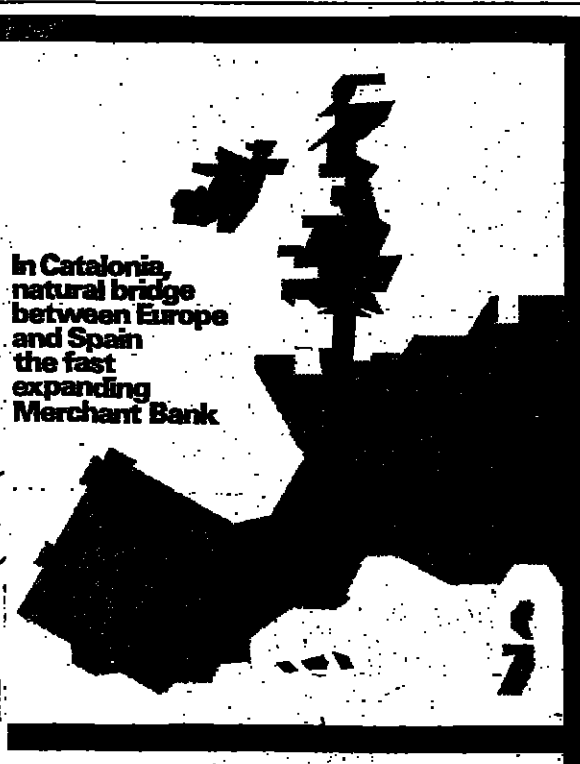
The export performance in the Common Market has not been very different from that in the American market. When total exports are considered, market gains in the EEC are, of course, much smaller but still considerable. Indeed, Spanish exports have for the average of 1964-1971 performed better than any of the EEC countries.

Changes in demand pressures, both in the domestic economy and abroad, may have influenced the performance of industrial exports in particular years, but apparently only very slightly. Thus, the small gains in 1967 may be partly explained by weak economic conditions in general in Spain's main export markets in 1968 and 1971 by the slack in the domestic economy built up then, probably helped in 1968 by the peseta devaluation.

On the contrary, even years of very strong demand pressures, like 1966 and 1969, saw considerable market gains, although in the latter case the devaluation may have been partly responsible. The steady underlying improvement of export performance which emerges from the yearly evolution of market shares suggests the existence of a more fundamental cause—the supply at competitive conditions of products for which there is foreign demand. The investment that followed the opening of the economy in 1969 has created the necessary modern plant capacity, probably as productive if not more than similar plants employing, in part, the same Spanish labor force abroad. (A bottleneck and labor unrest have been on the increase in Spain in recent years but at a much smaller scale and therefore with much smaller disruptive effects on production than in other European countries.)

This re-equipment effort is enabling the Spanish economy to make good lost ground in world markets in the two previous decades and to approach the market share that corresponds to her skilled labor force and her industrial infrastructure.

The competitive advantage was provided by a substantial difference between Spanish labor costs and those of other European countries. Country comparisons in this field should be made with extreme caution, but the orders of magnitude of the differences in hourly labor costs in industry are so high as to validate such an assertion. Domestic prices in Spain for a sample of industrial products were not correspondingly lower than in the countries with which the labor cost comparison is made. As other costs are probably not very different



BANCO INDUSTRIAL DE CATALUÑA

is working for the National Development in the fields of:

- Industry
- Shipbuilding
- Agriculture
- Services
- Infrastructure and
- Real estate development

We offer our cooperation for investment and also advice on partners for your company

- Industrial growth centers (location of sites, surveying and construction)
- Engineering
- Commercial counselling (customers network, suppliers)
- Tax consultants, labour and insurance counsel

Dealing actively in the Import/export trade Financial services:

- Credits
- Leasing
- Financial planning
- Introduction into the Stock Exchange and Underwriting

BANCO INDUSTRIAL DE CATALUÑA

Barcelona - 6 MAIN OFFICE
Ronda de Casalt, 58 bis
Phone 216 00 00
Telex 33185 BINCA E

BRANCHES:
Madrid
Zaragoza
Valencia
Bilbao

We are proud.

IBERIA
gives wings to your dreams

It's only human after all!

Judge for yourself.
Our people are wonderful. They work so hard, and yet still find time to study and acquire greater experience in their fields. For instance, it's a pleasure to see our charming hostesses learning so earnestly at our Iberia Training Center, in Madrid. (Incidentally, did you know that it is there that we also teach the art of hospitality to the personnel of 6 other international airlines?)

Another big satisfaction for us is to see the efficiency of IBERIA's maintenance personnel, fully servicing the biggest airlines in the world, at the 25 international airports in Spain. And our fleet! We are proud to tell you that we have increased it with 16 super-jets this year to satisfy the constantly growing demand, and to make possible our plans of flying to new and interesting destinations, to fulfill the dreams of our passengers all over the world.

And the care we are giving to smaller things... new uniforms, new designs for tickets... Salvador Dali painting especially for us an inspired work of art to decorate one of our new DC 10/30s... our people's spirit of "individualized attention"...

You see, we don't want people to think we are just boasting. But, these are the facts. Judge for yourself. Or better still, fly with us next time. We look forward to seeing you.

IB IBERIA INTERNATIONAL AIRLINES OF SPAIN 234 OFFICES IN 50 COUNTRIES

The newsletter on the Spanish Economy is continued on Pages 8, 9, 10.

NEWSLETTER ON THE SPANISH ECONOMY

Spanish Export Trade: A Sectorial Approach

By: Jesus Alonso Manzano,
deputy director of Export
Promotion, Spanish Ministry of
Commerce.

ONE of the most fascinating aspects of international trade policy has been the adoption by national administrations of an active, ever belligerent attitude. The advent of export promotion policies is evidence only of the importance exports have for the development of production sectors. Export trade is no longer just a monetary factor, a foreign currency earner, but has become an activity that creates income and—as a result—development.

Thus, export promotion policies clearly become part of the general development policy of the country involved. But only to the extent to which exports widen the market, or in other words, only to the extent to which they "promote production" are they achieving a fundamental objective. The fact that additional foreign funds come in, is something to be welcomed. It is not however the most important fact.

This approach to export trade policies has led simultaneously, to a fortunate rehabilitation of the qualitative aspect of export activities. It is not sufficient to increase exports—the main objective of traditional trade expansion policies—now it is necessary to improve exports; furthermore,

the administration is no longer indifferent to who carries out the exports and how they are carried out. Together with the set of instruments of export promotion, a management policy—or in other words an export planning policy—comes to the fore.

Foreign trade planning regulations made their appearance in Spain in order to endorse a sectorial field approach, under the Decree-Law 16/1967.

What foreign trade planning intends to achieve and how it works are two questions and the answers to them may help to clarify the sense of an export policy at industrial field level.

Trade planning of the export sectors set up in compliance with Decree-Law 16/1967 tries to solve a number of typical problems that characterize the Spanish traditional export trade.

These are fragmented supply, low financial capacity of exporter concerns, deficient trading organization, lack of utilization of modern marketing techniques, and an excess of competition among exporter concerns.

The logical result of this situation is the weak bargaining position of Spanish exports at the international market level. This is illustrated by the fact that 94% of export concerns are what is euphemistically named "medium and small-sized firms," or

firms with less than 50 employees and of which more than 60% are individual concerns. These features make Spanish exports an often occasional operation.

Foreign trade planning establishes the following objectives: the short-term one of improving the bargaining position of export industries through a reasonable "agreement" among exporter firms, and a medium-term aim of promoting a movement towards exporter grouping in order to concentrate supplies.

The aim is to achieve improved capitalization of industries by means of a truly original formula: retaining part of the tax deriving for exports to constitute, at the same time a common fund for promotion of exports and the best reason for an effective linking of firms that form part of export groups.

There is the long-term aim to achieve a value-added increase for exports in those industries where it is feasible.

The important role played by Decree-Law 16/1967 in the effective development of grouping formula for exports should be underlined. The abundant set of legal provisions, especially those referring to taxes, which are intended to stimulate mergers, has been scantily applied up to now. It proves once more that the existence of regulations does not

necessarily lead to their utilization unless there exists a parallel creative action by the government. This has been the important role played by foreign trade planning regulations. The conversion of over one thousand firms into about thirty associations, incorporated as stock companies, and a similar number of groups without legal personality has proved that this system was the best implementation of the regulations for the merger of companies during the past four years.

On the other hand, it should be recalled that the sectorial field approach of Spanish export policy has always been subject to

two basic principles, namely those of free will and private enterprise.

There will be no system that covers the agreement between the administration and the industrial sector but legally binds voluntarily but has obtained the consensus of firms representing at least 60% of the aggregate export figures for the industrial fields concerned.

The system has a private nature because it is based on private enterprise playing the main role within the whole process. The role of the administration is limited to the support of entrepreneurial action and to the promotion of in-depth reform of the business structure.

The question of the role of the sectorial concept in overall planning has a simple reply: it is the framework and the reference point. In other words, the administration has tried to work out, together with private concerns, a "do-it-yourself" system under which the latter commit themselves to reach certain objectives and the former to grant certain means. However, both in defining objectives and in granting the aid, the structure of the industrial field concerned has played an essential role together with typical problems and desirable objectives. Instead of the administration considering concerns individually, there has been introduced a system which con-

siders concerns as a whole within their environment. This is precisely the sectorial field framework within which they move. The Spanish experience in sectorial treatment of exports has achieved reasonably satisfactory results in a group of sectors which are net exporters such as table olives, tomato concentrates, wine, bitter oranges, truffles, capers and some vegetable and fish preserves. The result of grouping has certainly been significant while the means used in support of it were few. However, it seems obvious that the future of this system will be determined by the capacity of Spanish firms to "create organizations" in the domestic and foreign markets.

The Surprise Ite In Spain's Exports

TRADE officials in Madrid rily concede that the man, street in many foreign land associates Spanish goods oranges. But for discerning purchasers of industrial ment it has long been known that Spanish, factured goods can be of high quality.

Spanish skills in building dams and machine tools those in more traditional dustries such as shoes.

A close look at Spanish, trial export figures for the quarter of 1973 shows the ports of steel were up 84 p to some \$100 million. term prospects also look and plans are advance Spain's fourth integral steel at Sagunto, near Valencia, six million annual tons increase national production million tons by 1980.

Automobile exports were percent, added only partly long strike at Renault in Sales of refined petrol 18 percent of chemicals 18 p machinery 17 percent, vat ports of electrical machinery a pace-setter with 34 p. Admittedly, sales of ships, and textiles were down shipping remains in a healthy state with the Spanish yards working on orders for large tankers, and bulk carriers. Shoes, mainly go to the United and which are facing com there from Brazilian c clocked up eighty million in sales. Spanish shoes have on sales in Great Britain as though the industry finds it to sell its shoes in many rise of Western Europe, the term aim is to sell as many in Europe as in the U.S.

"We cannot go on dependi the U.S. market, which three-quarters of our ex said a Spanish trade s "We are finding that a me pensive type of shoe now better in Europe."

Some of the other "surj one finds behind the trad tactics as items like a da southern Peru, a \$100-m thermic plant in Colombia, a million shipping and tech deal with the Argentine, sales of the Pegasus railway freight cars and locomotives. Of course, a capital good represent the of industrial exports, but is always ready to try and a market for heavier equip

A government council for nical investment will short port on how to further th Spain's ability in the techn cal field for official policy, make Spain less depende foreign technical know-how. The Ministry of Commu just issued a detailed an export trends so far this y makes for instructive re

Performance of Exports for First Quarter 1973

Exports

EXPORTS in March 1973 rose by 13.9%, representing Ptas. 24,541 million. The increase in industrial exports was considerably higher (17.6%) while agricultural exports, which had maintained a considerable growth rate over the previous months, dropped to 7.6%. Exportations of industrial products excluding mineral products and transport material rose by 11.8%.

In March, exports of mineral products (69.3%), those of metal and metallurgical products (48.9%) stand out by their high rate of increase. In the first case, the figure is rather surprising when compared to feeble rise in the import of crude petrol (one must take into account that the basic composition of these exports is made of by-products of refined petrol). A part of this phenomenon can be explained by the high increase in this type of product. Concerning the metallurgical products, it would appear that the rise in prices was also influential, taking into consideration the important world market for this type of product.

The increase in the "miscellaneous" category (17.9%), that of transport material (15.4%) and in chemical and plastic production (16.8%) were also important during the month of March. The field of machinery showed an increase of 12.1%. In the fields of consumer goods, there is only a slight increase and in certain categories, for example in footwear, there is even a considerable drop.

It can be seen that the total increase in exportation is 13.4%, while non agricultural exports alone reached an increase of 17%. In reality, the export of agricultural products increased considerably during all that quarter, except for the month of March, this increase being due primarily to the important rise in the domain of fruit, where the harvest was very favourable. Conversely, the exports in this field are superior to those of 1972 by 1/4 (the quantity) and by 1/3 (on the total value). The increase registered in the export of canned vegetables is very important although contrary to almost all the other cases the increase in value is very little compared to quantity exported. The export of "drinks" also rose considerably in their total value to the amount of 33.8%, although in terms of quantity there was hardly a

change, this fact is due principally to the increase in the demand for wine the world over which resulted in the rising of prices.

Among the agricultural products, only two oil and canned fish, remained stable or suffered a slight decrease.

Among the non agricultural products, the metal and metallurgical products show the bigger increase of 63.1%. This is rather surprising. If we consider the heavy rise of internal demand against the export possibilities in this sector (it must be noted that exports in this field are mainly exports of siderurgical products). This seems to result from the world phenomenon of increasing prices, which we have already mentioned as well as the increase in the productive possibilities of our siderurgical industry.

Another interesting case is the mineral sector where exports rose by 32.8% in the first quarter (this concerns primarily by-products of petrol) while imports hardly changed. Once again, we are facing the phenomenon of world-wide rising prices.

Export of these products shows not only its important rise in value, but also a certain increase of quantity which seems to be related, at least temporarily, to the present crisis of energy and to the relaxation in import restrictions for this type of product in U.S.A., favoring our oil refineries.

Chemical and plastic products rose considerably (17.7%), this increase is due primarily to inorganic chemical products, while organic chemical products suffered an important setback in the amount exported and a decrease of less importance in the total value of these exports.

The machinery section registered also an important increase of 17% which arises without any doubt from the favorable world conditions, but which has been backed by the increase in the internal demand. In this field, the development of electrical machinery, which rose by 34.1% in value, reaching a sum of 2,000 million pesetas, was specially important. The field of mechanical machinery increased less, but this continues to give total figures showing a continued growth in export (more than 5,000 million pesetas).

Transport material reaches an increase of 12.7%, owing to the increase of our automobile ex-

ports and auto parts (the total of our exports in land transport material rose by 64.4% in value). Contrary to this, exports in shipping show a considerable decrease, compared to those of the first quarter of last year (a decrease that must not be given too much attention because it is due to important modifications in the program for shipping deliveries offered by this sector).

Exports of footwear and textiles suffered an important decrease, specially the footwear whose total export value lessened by 13.3%. Concerning these exports the problems that ores in the last few months, are well known.

Conclusion

After the relatively abnormal results in February exports, March offers us results completely in line with the general vigorous development of the previous figures: the annual high rate of increase in importation (20%) and the acceptable, but lower rates of increase in exportation. Contrary to what happened the previous months, agricultural exportations hardly surpassed the level of March 1972, which caused a slow increase in the export of fruit, and even a fall in the fat and treated meat section. The rest of the exports continued as in previous months: feeble or even negative rate of increase in several groups of siderurgical goods, an increase of about 12% for machinery and high rates of increase for petrol by-products (favored by now by the energy crisis existing on a worldwide scale) and siderurgical products which also benefited from a very favorable world market.

Regarding imports, we continue to notice a steady rise in the section where the basis is equipment. Machinery continues also to rise steadily (even though less than the quarterly average); this is true also for transport and precision material (more than the average). The only category which offers a lesser increase is the mineral products section where it seems that the difficulties arising from the lack of crude petrol play an important part.

In any case, from the analysis of the variation in quantities and value exported even if it is explained in a rudimentary fashion and at times even disguised by

modifying the commercial structure (for example regarding siderurgical products) the importance of rising prices being experienced the world over is very obvious, a phenomenon which is particularly evident in the agricultural field, and in that of raw materials and semi-manufactured products.

News Briefs

U.S. Steel Takes Interest

U.S. Steel has bought a 22.5 percent interest in the 1.5 billion dollar integral steel plant to be built near Sagunto, the fourth major plant of its type in Spain. U.S. Steel already has a major interest in another Spanish steel plant.

Cars and TV Up

Car ownership in Spain has jumped from 358,000 in 1961 to three million today. Some ten million Spaniards now own television sets.

Foreign Investment Jumps

Direct American investment in Spain now totals about one billion dollars. Another half a billion dollars is in securities and real estate.

Spaniards Spend More

Spanish travel expenditure abroad has accelerated sharply in recent years and now totals about 180 million dollars.

Aid to Investments

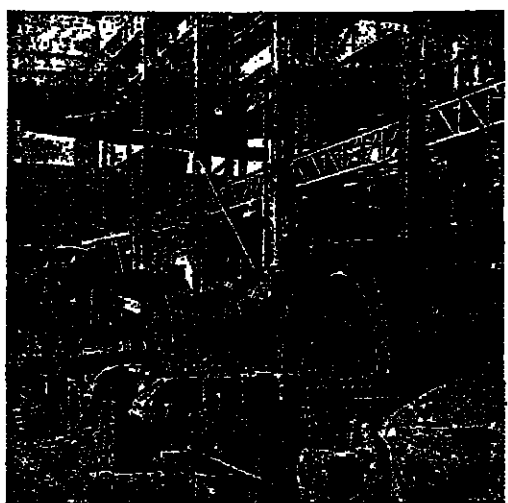
Measures taken recently by the Spanish companies overseas are designed to provide full official support for all investments made by Spanish companies overseas including those of savings and investment companies.

Tonnage Leaps

The tonnage of the Spanish merchant fleet increases at the rate of eight percent a year, the second fastest percentage increase among OECD maritime countries after Japan.

SPAIN COUNTRY TO INVEST IN

Third Development Plan



For information on foreign capital investment
consult: Office Centre of Administrative
Information, Alcalá Galiano 10
Madrid 1

for first-class
assistance in
spanish
banking
contact



BANCO DE VIZCAYA

MORE THAN 300 BRANCHES
THROUGHOUT SPAIN
AT YOUR SERVICE
HEAD OFFICE IN BILBAO (SPAIN)
CENTRAL FOREIGN DEPARTMENT
ALCALÁ 45 MADRID (SPAIN)

REPRESENTATIVE OFFICES:
NEW YORK, 580 PARK AVENUE
TEL. 212-688-0227 NEW YORK, N.Y. 10017
MEXICO, AVDA. JUAREZ, 4 - TEL. 552-37-41
MEXICO, D.F.

Always in "Sea-Sun" Nueva Andalucia in Spain



It's the one resort community on Spain's sunny Costa del Sol that has it all. A lovely seaside setting with the Mediterranean's most modern marina. Two championship golf courses. Tennis courts, riding stables and swimming pools all within walking distance from your front door. Modern beach club surrounded by lush gardens. Fine restaurants. Even its own bull ring! And the shops and gayety of Marbella are just minutes away.

Nueva Andalucia is truly unique—and an ideal spot to own your own place for vacations, year

round living or investment potential through rental income. Choose from a wide variety of sizes and styles: beautiful apartments from just \$12,000; two bedroom garden townhouses from \$19,000; harbor houses in the port area from \$25,000; and luxury villas from under \$40,000 to over \$80,000. Expert management to make ownership totally worry-free.

Call or write us for complete details. Then come on down and see for yourself all the reasons for owning a home on the Costa del Sol—all at Nueva Andalucia!

Special Plan for Spanish People

PANORAMA

Your American Realtor on the Costa del Sol
Edificio Alpiro
Avenida Ricardo Soriano
Marbella (Malaga) Spain
(across from the bus station in Marbella)
Phone: 825-803
International Headquarters 810 - 18th St. NW
Washington, D.C. 20006

Business in Spain is Better Business through Induban

(BANCO DE FINANCIACION INDUSTRIAL S.A.)
Paseo de la Castellana, 112 - Madrid-6

Spanish drive associated with
worldwide financial know-how.

BANCO DE VIZCAYA, BILBAO.
FIRST NATIONAL CITY BANK, NEW YORK.
CREDIT LYONNAIS, PARIS.
SOCIETE DE FINANCIEMENT INTERNATIONAL
DE LA COMPAGNIE DES CHARENTAIS, NANTES.
INTERNATIONAL WESTMINSTER BANK LTD. AFFILIATE
TO NATIONAL WESTMINSTER BANK, LONDON.
DRESNER BANK, DRESDEN, GERMANY.
HILL, SAMUEL & CO., LTD. LONDON.
BANQUE WORMS, PARIS.
BANQUE DE L'UNION EUROPEENNE, PARIS.

INDUBAN

YOUR MERCHANT BANK IN SPAIN
Solely for the benefit of its clients, Induban has established a network of branches in all the main financial centers of Europe and the Americas.

NEWSLETTER ON THE SPANISH ECONOMY

Fresh Impetus Given To Steel Production

The Sur...
In S...
Expanding steel indus-
was given fresh impetus
favorable economic con-
in 1972.

ing the mid-period of 1972, after
remaining substantially below this
level since mid-1970.

Export Structure
Exports of ordinary steel in-
dicate that rolled stock makes
up the largest percentage, with
43.1 percent of the total, of which
51.7 percent is for heavy sections
and 48.3 percent for light sections.
Semi-products follow with 37.6
percent, flat products with 7.6
percent, and all cold-rolled
products (28.5 percent). Finally,
exports of wire rod represented 4.5
percent of the total product.

In special steel, the breakdown
by products also showed the
largest percentage to be sections,
with 68.1 percent, divided prac-
tically in half between light and
heavy types, with wire rod fol-
lowing with 11.2 percent of the
total and flat products with 10.8
percent, of which 95.5 percent
were hot-rolled products. Finally,
exports of billets and semi-
products represented 9 percent of
the total. In terms of quality,
51 percent were construction
steel alloys and 25.6 percent
stainless and refractory steels,
17.6 percent fine carbon steels,
and the remainder divided among
the other special steels.

Investment And New Capacity

The industry's rate of invest-
ment which was initiated with
the Concerted Action program,
and which aims at attaining the
goals of the National Steel Pro-
gram, was continued in 1972. The
year virtually saw the termina-
tion of Concerted Action projects,
although some facilities will not
be completed until 1973.

Investment allotted to the Con-
certed Action program in 1972 was
somewhat lower than that in 1971.
However, estimated investment
figures for the entire sector are
very similar to those for 1971,
particularly some comparatively
important projects performed out-
side the Concerted Action pro-
gram. On the basis of available
figures, it is estimated that total
investment in the steel sector
reached a figure of about
Ptas. 14,400 million in 1972, in
comparison with 14,500 in 1971.

The distribution of investments
in 1972, calculations for which are
still of a provisional nature, have
been estimated as follows, accord-
ing to the type of installation:

DISTRIBUTION OF INVESTMENTS (in millions of pesetas)

Installations	1970	1971	1972 (%)	In %
Preparation of loads	1,948	1,959	1,450	10.1
Production of pig iron	1,823	1,159	880	6.9
Production of steel	1,823	1,555	2,170	15.1
Rolling	9,972	5,900	5,970	41.4
Others	3,745	2,315	3,950	27.4
Total	17,689	14,500	14,400	

(*) Provisional estimate.

New Capacity

The most important plants
which began commercial op-
eration during the year were:

SINTERING:

—One plant of 2,000,000 tons/
year.

PIG IRON:

—One blast furnace with 9.5
meter crucible diameter, with a
1,000,000 tons/year capacity.

STEEL:

—Four electric arc furnaces of
30 tons per unit, with a total
capacity of 180,000 to 200,000
tons/year.

CONTINUOUS CASTING:

—Two bloom units with three
lines, with a capacity of 30 tons/
hour per unit.

—One slab unit of one line, with
a capacity of 140 tons/hour.

ROT-ROLLING:

—Two blooming mills of 180,000
and 200,000 tons/year, respectively.

—One billet mill of 510,000
tons/year.

—One structural section mill of
450,000 tons/year.

—One mill for commercial rolled
products and another for rounds,
with an approximate capacity of
50,000 tons/year per unit.

—One heavy plate mill of 550,000
tons/year.

COLD-ROLLING:

—One skin-pass mill for stain-
less steel, of 30,000 tons/year.

Employment

Total personnel employed in the
steel industry in its entirety as
well as that part devoted ex-
clusively to steel production in-
creased by 1.7 percent over the
figure for 1971, rising from 79,051
people at the end of 1971 to 80,379,
the estimated figure for the end
of 1972. Personnel employed in
what is properly defined as steel
making, excluding processing ac-

per year, rising from 120 tons in
1971 to 140 tons in 1972, a relative
increase of 16.7 percent. This has
allowed the steel sector to absorb
cost increases which occurred
during a major part of the 1972
business year, although in the
latter part of the year cost varia-
tions took a stronger upturn. This
placed the sector in a very dif-
ficult situation for 1973 with its
increases in wages, Social Security
payments, electric power, and,
above all, the price of scrap.

The structure of employment in
the steel sector has not undergone
any noticeable changes; the ten-
dency toward a slight percentage
decrease in processing workers
continues, while the reverse trend
is to be noted for maintenance
and service workers.

Steel Prices

Pressures toward the upward
movement of prices were a nega-
tive factor in the economic
balance for 1972. The general
increase in prices for the whole
industrial sector was 6 percent,
compared to 4.5 percent in 1971.

In this context of industrial
prices, the unvarying maintenance
of the steel price schedule has
been a stabilizing factor. Within
the composition and structure of
the schedule, the greater demand
for the sector's products in 1972
allowed the industry to adapt
certain parts of the price struc-
ture, an adjustment which was
not possible in 1971 due to the
more unfavorable situation with
consumption. This adjustment
was limited to a reduced number
of products in greatest demand,
and only since the middle of the
year when the market began to
show more strength.

As a result, steel prices main-
tained absolute stability since the
last change on June 28, 1971.

During this period of 20 months
it was increase in productivity
which enabled the industry to
meet increases in costs mainly in
wages and Social Security.

Nevertheless, in the last few
months of the year substantial in-
creases in scrap prices, which are
shooting up in international mar-
kets, to which Spain is tethered
as a result of its structural lack
of raw materials, was reason for
understandable uneasiness.

Uninterrupted upward trend of
costs is a matter of increasing
concern to the sector, which does
not see any possibility of absorb-
ing these costs on the basis of
productivity increases. Recent
wage increases, the increase in
Social Security costs, the increase
in electric power rates together
with the previously mentioned
development of scrap prices, all
create an impossible obstacle to
the maintenance of stability in
the steel price schedule.

The prices of steel products are
subject to a system known as
"regulated prices" since the enact-
ment of legislation ("Orden de
la Presidencia del Gobierno") on
June 9, 1970. However, this sys-
tem has been changed to that of
"maximum prices on the basis
of the Ministry of Commerce De-
cree 2010/1971. However, the pos-
sibility raised by the decree of
establishing a price agreement
between the production sector
and the administration, has not
actually been applied.

The present schedule of prices
must be considered in the light
of current conditions, of the stage
reached in the development of
the steel industry, as well as the
imperative factors which would
be involved in a possible agree-
ment to be signed with the Euro-
pean Economic Community and
which, according to the draft of

the contract prepared by the or-
ganization, must be negotiated
during the present year in order
to become effective as of the first
of January, 1974.

The community member states
themselves seem to have request-
ed the inclusion of steel products
in the new agreement, in contrast
to what occurred in negotiations
for the Preferential Agreement be-
tween Spain and the EEC. How-
ever, steel products, together with
coal and iron, are subjected by
the Treaty of Paris to the Euro-
pean Community of Steel and
Coal, with price regulations and
standards of competition much
more complete than those of the
EEC. Therefore, the present sys-
tem of prices applied in Spain to
steel products is not in accordance
with the requirements which will
be incurred in an agreement with
the ECSC.

Prospects for 1973

With 1972 ending in a situation
favorable to the steel sector, ex-
pectations in official and private
circles for 1973 are that the gross
national product could be in line
with the 7 percent in real terms
provided in the Third Develop-
ment Plan. Industrial gross
product may expect a growth be-
tween 8 and 9 percent in real
terms.

With construction and public
works, the sector believes that
activity in 1973 may well increase
in turn to 10 percent on the basis
of the large volume of work con-
tracted during 1972. Demand in
the automobile sector could in-
crease by 12 percent, according
to sources within that sector, and
shipbuilding has a substantial
order book on hand.

The 1973 budget has been es-
tablished as an accompaniment

to the expansion of the economy.
In financial terms, it has been
made clear that monetary supply
and liquidity will be maintained
at levels of reasonable expansion,
although at a growth rate some-
what lower than that of 1972. The
capacity of the banking sector
for financing will depend on the
action of the monetary authori-
ties, but it is expected that there
will be no lack of financing re-
quired to continue economic ac-
tivity at a high rate.

As for investments, the general-
ly favorable attitude of the securi-
ties market, the positive results of
companies in 1972, and the devel-
opment of projects included in
the investment tax relief of this
year enables Spanish steel to
look forward to a renewed increase
in investments in 1973.

All factors point towards satis-
factory expansion. Only justifi-
fied concern over the pressures on
prices moderate the optimism,
which has been shown in the first
months of this year. The authori-
ties, undoubtedly, will attempt to
achieve the always difficult bal-
ance between attaining a high
growth rate and maintaining rel-
ative stability in prices.

It is reasonable to expect con-
sumption of steel to undergo a
further increase in 1973 which will
bring it even closer than in 1972
to the forecast of the National
Steel Program. According to this
estimate, consumption of steel for
1973 should be 11.1 million tons.
In fact, it may be close to 10.8 mil-
lion, an increase of about 1.8 mil-
lion tons, or 12 to 14 percent.
With reference to the National
Steel Program for 1973, it will
remain 3 percent below the esti-
mated figure, in contrast to 6.8
percent in 1972.

GENERAL DIAGRAM OF THE SECTOR

	1971 Thousands of tons	1972* Thousands of tons	Percent of variation 1971-1972
o steel production	8,925	9,525	10.7
o material	200	309	54.5
o domestic production	8,225	9,325	13.5
o in factory stocks	335	—	—
o shipped from factories	7,890	8,833	24.6
o contribution to con- sumption	6,784	7,989	17.8
o consumption	1,158	1,528	31.9
o total data	7,892	9,508	20.9

rent steel consumption—
as total production of
1 for rolling, the balance
reign trade, and the varia-
steel plant stocks—under-
considerable increase in
20.9 percent. In evaluating
rease, it must be remem-
bered that 1971 was abnor-
mally low that there was an
increase in 1972.

with respect to 1970 has been 11.3
percent, which is lower than the
trend.

Apparent consumption of steel
per inhabitant was 232 kilograms
in 1970, dropped to 230 kilograms
in 1971, and rose to 236 in 1972.
Estimated production of pig iron
was 5.9 million tons, a 23.8 per-
cent increase over 1971, due to a
new blast furnace which went into
commercial operation.

IRON AND STEEL PRODUCTION

	1971 Thousands of tons	1972* Thousands of tons	Percent of variation 1971-1972
o	4,827	5,928	22.6
o	5,925	5,925	18.5
o	5,587	6,735	20.5
o	7,159	8,717	21.8

ated steel production, on
basis of provisional figures,
o 9,525 million tons, an 18.7
percent increase over 1971.

duction of hot-rolled prod-
for the year is estimated
74 million tons, an increase
5 percent over 1971.

Foreign Trade

ign trade was an important
in the development of the
and steel industry during
completed export operations
1.85 million tons, a total
exceeded 1971 exports by
amount. Both absolute ton-
and the percentage of in-
are highly important for
ake the export movement
ident of the influence of
ternal economic situation
ply an orientation of the
towards exports. Already
re an indispensable requi-
later development of the

reached a volume of
110 million tons for 1972, an in-
of 32 percent over 1971.

aspects of foreign trade
that the steel sector has
age, that its nature has
be almost exclusively re-
olved in imports. It has

become involved in exchange,
which is normal in countries with
developed steel industries.

It is important to emphasize
surplus tonnage, 322 tons for
the entire year of 1972. Neverthe-
less, foreign trade in steel con-
tributed to show a deficit in value
of Ptas. 5,873 million, although
imports are recorded by value
CIF, and exports, on the other
hand, by value FOB. However,
this difference in calculation does
not compensate for the negative
balance, which is also due to the
fact that Spanish exports com-
prise more semi-manufactured
products and bars, whereas im-
ports consist more of manufactur-
ed products and flat products of
greater unit value.

There is an undeniable trend
toward reducing these differences
and toward exporting increasingly
more finished and varied products.
The total value of exports in 1972
was almost Ptas. 12,000 million,
one of the industrial sector's most
extensive exporters.

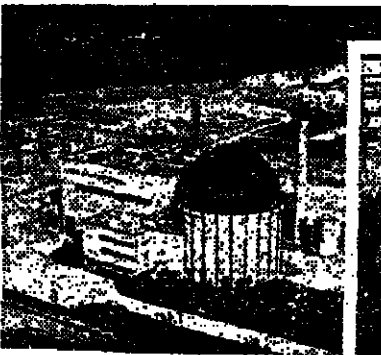
It is appropriate to indicate that
with ordinary steel a surplus of
444,000 tons was achieved, whereas
there was a deficit of 114,876 tons
in special steels. The total net
export balance in steel was 329,124
tons.

BANCO URQUIJO

Established 1870

The leading Merchant Bank in Spain

CAPITAL and RESERVES: 14,888,870,000 PTAS (148,888,870 & US\$)



BEAT-Barcelona



Head office: Alcala, 47, Spain

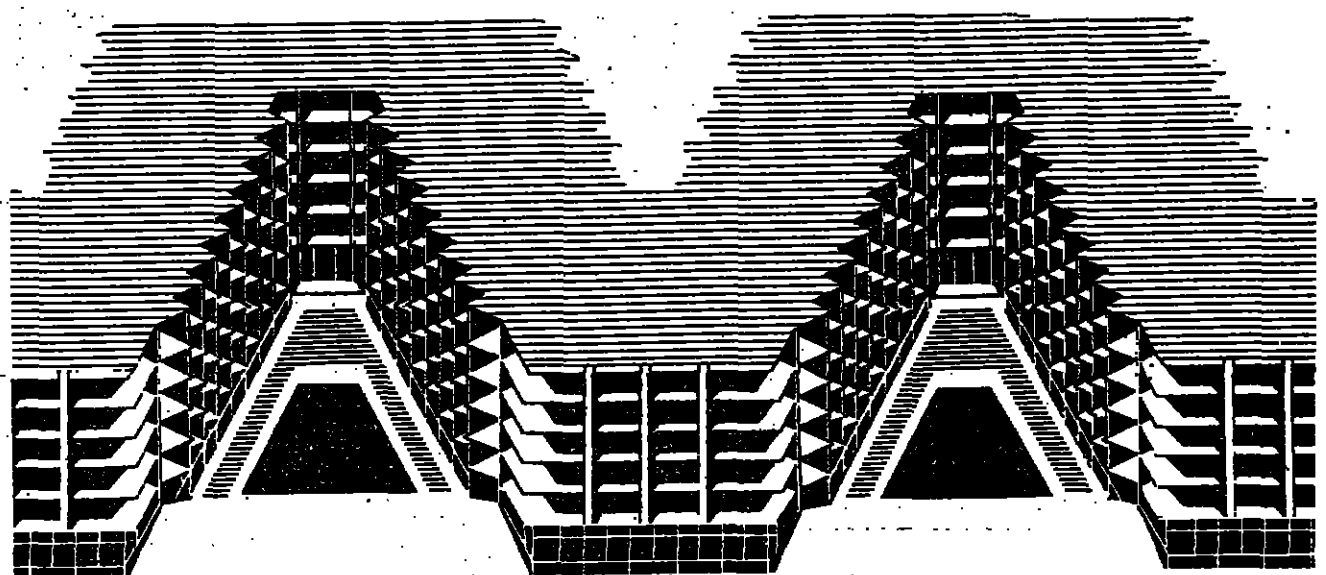
Branches: Barcelona, Seville, Gijón, Valencia

Subsidiary: URQUIJO PRINCE ALB. & CO. S.A. (London)

Representative Office: 121/23 Cannon Street, London EC4N 3BN

Telephone: 023 49 38

3.500 apartotelmen...



...Everyone a guaranty. 3500 people are already owners of an apartment for
holidays, their business... in Spain's most beautiful places.

In one of these apartotels that Melia has already built.

Palma de Mallorca: Apartotel Melia Magaluf
Alicante: Apartotel Melia Alicante
Madrid: Apartotel Melia Madrid

And very soon these 3500 Apartotelmen will meet thousands and thousands
more who want to take part in this rentable proposition. Because Melia
continue to choose the best. Now they are constructing apartotels in the most
delightful spots in the world.

Torremolinos: Apartotel Melia Costa del Sol
Londres: Apartotel Melia Londres
Paris: Apartotel Melia Paris
Barbados: Apartotel Melia Barbados
Mexico: Apartotel Melia Purua Mexico
Acapulco: Apartotel Melia Purua Acapulco

WHAT ADVANTAGES HAVE THESE APARTOTELS?

- To be owner of one of these luxurious apartments that you can use at any time.
 - An apartment without maintenance cost, rentable even when not using.
 - To take part in a hotel service with constant profits.
- Now you will understand why apartotel Melia have so many Apartotelmen.

**Inmobiliarias
Melia**

Princesa, 25
MADRID
Tnos. 241 99 34 y 247 55 00

Gentlemen: I would like to receive
a free Prospectus describing
Apartotel Melia

Name _____
(PLEASE PRINT)
Address _____
City _____
State _____
County _____

A nation's sunshine in its oranges

BANCO DI ROMA - COMMERZBANK - CREDIT LYONNAIS
Europe's Bankers to the World of Business

Aid to Investments

Measures taken recently by the Spanish government were designed to provide full official support for all investments made by Spanish companies overseas including those of savings and investment companies.

Eurobonds

U.S. Trade Surplus Triggers Push Into Dollar Convertibles

By Carl Gewirtz

ay 27 (BTT)—Wash-
ington has not picked a
to report a surplus
of trade.

in pervading the in-
telligence early
about the outlook. For
and dollar-denomina-
t was beginning to
rise of its own. For
s market this meant
eale dumping of gold-
d a severe strain on
of market-makers to
to business, giving
had become what
s called "emotional"
mental economic as-
the situation in-
segregated.

ional content of the
s was made evident
to the surprise
oday that the U.S.
n the first of April was
n the first of June 18
e news came too late
to have any marked
effect. But Wall
ts were up sharply,
nts on the Dow Jones
verage, on the news.
added another 12
e final 3000 points
on a report that
stratization was consider-
e voluntary guidelines
increases in dividend

out that one month's surplus does
not constitute a turnaround in
the U.S. accounts and officials in
Washington warn that the trade
balance could still be in a
deficit over the next few months
before beginning a sustained im-
provement. Still to be deter-
mined is whether the U.S. imbalance
with Japan is flattening out, or
whether it has only been made to
look better by the coming, together
of Japanese orders that might
normally have been spread over
the next several months and a
temporary holding off of ex-
ports to the United States.

Doubts about where the Water-
gate investigations will lead and
whether the administration will
be able to effectively focus on
domestic and international econ-
omic problems still plague the
market. The question of how
to the dollar being "oversold,"
a number of bankers now say,
and that is in the process of being
corrected.

There are also some technical
factors working in favor of the
dollar. On the foreign exchange
level, an estimated \$60 billion of
Eurodollars has been temporarily
withdrawn from the market since
1970 thanks to the building of
new reserve positions in foreign
currencies. Holdings of
denounce marks, and the recent

formance in New York, 21 months, coupled with the new, speculative, "hot money" in Europe, pushing the dollar higher in exchange markets and a rally in the Euro-
 boosted the morale of dealers just when it was at its lowest.
 are quick to point

	High	Low	Last	Chg	Net
Beverly Hills 200	116	114 1/2	114 3/4	25 1/4	54
Beverly Hills Indus	47	46 1/2	46 1/2	25 1/4	14
Blibb Co	67	67 1/4	67 1/4	25 1/4	14
Blibb Corp	18	17 3/4	17 3/4	12 1/2	14
Blibb Inc	49	47 1/2	47 1/2	11	14
Blibb the Kid	4	3 1/4	3 1/4	11	14
Bio Med Scient	157	143	143	20 1/4	114 1/4
Birdsong 1.30	51	22 1/2	22 1/2	20 1/4	114

	High	Low	Last	Chg
BoEing 747	22	5%	4%	+1/4
BoEing 767	32	5%	4%	+1/4
BoEing 777	39	5%	4%	+1/4
BoEing 787	175	5%	4%	+1/4
BoEing 797	6	1%	1%	0
BoEing 800	13	1%	1%	0
BoEing 810	7	1%	1%	0
BoEing 820	14	1%	1%	0
BoEing 830	7	1%	1%	0
BoEing 840	7	1%	1%	0
BoEing 850	7	1%	1%	0
BoEing 860	7	1%	1%	0
BoEing 870	7	1%	1%	0
BoEing 880	7	1%	1%	0
BoEing 890	7	1%	1%	0
BoEing 900	7	1%	1%	0
BoEing 910	7	1%	1%	0
BoEing 920	7	1%	1%	0
BoEing 930	7	1%	1%	0
BoEing 940	7	1%	1%	0
BoEing 950	7	1%	1%	0
BoEing 960	7	1%	1%	0
BoEing 970	7	1%	1%	0
BoEing 980	7	1%	1%	0
BoEing 990	7	1%	1%	0
BoEing 1000	7	1%	1%	0
BoEing 1010	7	1%	1%	0
BoEing 1020	7	1%	1%	0
BoEing 1030	7	1%	1%	0
BoEing 1040	7	1%	1%	0
BoEing 1050	7	1%	1%	0
BoEing 1060	7	1%	1%	0
BoEing 1070	7	1%	1%	0
BoEing 1080	7	1%	1%	0
BoEing 1090	7	1%	1%	0
BoEing 1100	7	1%	1%	0
BoEing 1110	7	1%	1%	0
BoEing 1120	7	1%	1%	0
BoEing 1130	7	1%	1%	0
BoEing 1140	7	1%	1%	0
BoEing 1150	7	1%	1%	0
BoEing 1160	7	1%	1%	0
BoEing 1170	7	1%	1%	0
BoEing 1180	7	1%	1%	0
BoEing 1190	7	1%	1%	0
BoEing 1200	7	1%	1%	0
BoEing 1210	7	1%	1%	0
BoEing 1220	7	1%	1%	0
BoEing 1230	7	1%	1%	0
BoEing 1240	7	1%	1%	0
BoEing 1250	7	1%	1%	0
BoEing 1260	7	1%	1%	0
BoEing 1270	7	1%	1%	0
BoEing 1280	7	1%	1%	0
BoEing 1290	7	1%	1%	0
BoEing 1300	7	1%	1%	0
BoEing 1310	7	1%	1%	0
BoEing 1320	7	1%	1%	0
BoEing 1330	7	1%	1%	0
BoEing 1340	7	1%	1%	0
BoEing 1350	7	1%	1%	0
BoEing 1360	7	1%	1%	0
BoEing 1370	7	1%	1%	0
BoEing 1380	7	1%	1%	0
BoEing 1390	7	1%	1%	0
BoEing 1400	7	1%	1%	0
BoEing 1410	7	1%	1%	0
BoEing 1420	7	1%	1%	0
BoEing 1430	7	1%	1%	0
BoEing 1440	7	1%	1%	0
BoEing 1450	7	1%	1%	0
BoEing 1460	7	1%	1%	0
BoEing 1470	7	1%	1%	0
BoEing 1480	7	1%	1%	0
BoEing 1490	7	1%	1%	0
BoEing 1500	7	1%	1%	0
BoEing 1510	7	1%	1%	0
BoEing 1520	7	1%	1%	0
BoEing 1530	7	1%	1%	0
BoEing 1540	7	1%	1%	0
BoEing 1550	7	1%	1%	0
BoEing 1560	7	1%	1%	0
BoEing 1570	7	1%	1%	0
BoEing 1580	7	1%	1%	0
BoEing 1590	7	1%	1%	0
BoEing 1600	7	1%	1%	0
BoEing 1610	7	1%	1%	0
BoEing 1620	7	1%	1%	0
BoEing 1630	7	1%	1%	0
BoEing 1640	7	1%	1%	0
BoEing 1650	7	1%	1%	0
BoEing 1660	7	1%	1%	0
BoEing 1670	7	1%	1%	0
BoEing 1680	7	1%	1%	0
BoEing 1690	7	1%	1%	0
BoEing 1700	7	1%	1%	0
BoEing 1710	7	1		

Economic Indicators

WEEKLY COMPARISONS

Commodity Index	1972	Prior Week	1972
	May 19	May 12	
Current in circ.	163.8	169.8	119.9
*Currency in circ.	\$48,733,000	\$48,851,000	\$61,311,000
*Total loans	\$298,128,000	\$195,557,000	\$57,580,000
Steel prod. (tons)	3,015,900	2,929,900	2,702,000
Auto production	309,034	217,462	183,285
Daily Oil prod. (bbls)	3,346,000	9,377,000	9,761,000
Freight car shps.	523,462	546,574	523,204
*Elec. Prod., kw-hr.	33,288,000	33,485,000	31,470,000
Auto. failures	173	219	219

Statistics for commercial-agricultural loans, carloadings, steel, oil, electric power and business failures are for the preceding week and latest available.

MONTHLY COMPARISONS

	April	Prior Month	1971
Employed	\$3,917,000	\$3,889,000	\$1,289,000
Unemployed	4,433,000	4,378,000	4,975,000
Industry products	122.0	121.8	112.8
*Personal incomes	\$1,008,900,000	\$1,001,300,000	\$918,400,000
*Money supply	\$259,300,000	\$256,900,000	\$243,000,000
*Consumer price index	130.7	131.9	124.8
*Castro's contracts	177	193	177
	March		1971
*Mfr's inventories	\$109,581,000	\$108,414,000	\$102,450,000
*Exports	\$3,379,500	\$3,840,000	\$3,889,400
*Imports	\$5,432,100	\$5,004,000	\$4,615,200

Commodity index, based on 1967=100, the consumers price index, based on 1967=100, and employment figures are compiled by the Bureau of Labor Statistics. Industrial production is Federal Reserve Board's adjusted index of 1967=100. Imports and exports are compiled by the Department of Commerce. Money supply is total currency outside banks and demand deposits adjusted as reported by Federal Reserve Board. Business failures compiled by Dun & Bradstreet, Inc. Construction contracts are compiled by the F. W. Dodge Division, McGraw-Hill Information Systems Company.

where there is a troublesome abundance can only have a very effect. cent a week ago. This comp with a yield of about 7.7 per on double-A-rated bonds in

for the bond market, the
er of the past few weeks
gnipping to trigger bargain
g. The decline has pushed
average dollar-bond yields
eight debt, as reported by
Luxembourg Stock Exchange,
percent up from 2.63 per-

	High	Low	Last	Chge	
Oct 1991	81	80 1/2	80 3/4	+1/4	Over-Cou

gr: 1nc	41	54%	74%	57%	1/2
guilt: 1nc	44	63%	57%	67%	1/2
mbids Art	59	5	14%	5	1/2
0 24C11815		8091155	333394	ethn	
mdist: 67h	25	20%	18%	17%	1/2
th inc	30	24%	59%	34%	1/2
th inc	98	10	1%	1%	1/2
Rel: Prod	19	64%	61%	42%	1/2
Harm: 133c	573	15%	14%	15	1/2

Surge on New York Stock Exchange Boosts Dow Jones Average 35 Points for Week

NEW YORK, May 27 (NYT).—The New York stock market finally leaped out of the doldrums last week and racked up its best gains in months. There were some good fundamental reasons for the buying, but most of it seemed to be based on the premise that prices simply had gone down far enough.

The bulk of the week's gain came on Thursday, when the Dow Jones industrial average rocketed upward by 26.42 points and closed at 922.44. This was the Dow's best advance in 21 months and the fourth largest in history.

Another solid gain Friday, totaling 6.40 points, brought the widely watched indicator to 930.84. The Dow also posted increases both Tuesday and Wednesday. Its gain for the week came to 35.67 points, the most in nearly seven months.

On Thursday, the market advanced for a variety of reasons: a failure to sell off in response to another wave of prime-rate increases by banks, a government report of the first U.S. trade surplus in 19 months in April and rumors (later proved unfounded) that the administration was ready to relax its restraint on dividend increases.

Friday following the huge advance the day before was interpreted as a bullish sign. After all, a three-day holiday weekend was at hand, and investors have been reluctant to hold securities over weekends in recent months.

In the capital markets, interest rates generally trended higher. The bond market sagged early in the week, but recovered along with the stock market toward week's end.

One of the busiest stocks of the week was Winnebago Industries, which provided a good example of the general market trend. The stock declined 31 percent Tuesday in response to a weak earnings announcement by management, but came all the way back by Friday.

However, it will take more than last week's splurge in the market to convince people that happy days are on the way. With the market bouncing all over the lot, with huge incomprehensible day-to-day swings, it is not surprising that the small investors have stayed away and left the big

Many of the market's worries are entirely valid. The battle against inflation, for example, is clearly lost.

When the U.S. consumer price index figures came out last week, Herbert Stein, chairman of the Council of Economic Advisers,

Amex and Over-Counter

By Alexander R. Hammer

NEW YORK, May 27 (NYT).—A one-day rally enabled the Over-the-Counter market to finish higher last week while the upswing permitted the American Stock Exchange to erase many of its earlier losses and end the week only slightly lower.

Prices in both markets were mostly lower during the first three trading days last week. However, on Thursday quotations rebounded and finished with sharp gains. The next day prices finished slightly higher.

The Thursday rally was termed by analysts as mostly technical, following the long decline in both markets. Prices had been declining almost daily for the last five months.

The Over-the-Counter index finished the week up 2.08 at 99.26. In the previous week the indicator had been off 7.85.

On the American exchange, the price index ended the week off 0.05 at 22.76.

Turnover on the Amex expanded to 30,217,000 shares last week from 15,261,000 shares the week before.

The warrants of Trans World Airlines led the active list on the Amex and rose 2 1/2 to 12 7/8 on a turnover of 578,400 shares.

One of the better performers on the exchange was Combustion Equipment Associates which climbed 5 1/8 to 20 1/8 after reporting higher second-quarter profits.

One of the bigger losers was Associated Mortgage Investors, which dropped 5 1/2 to 8 1/4. The company said it sold about \$3.7 million of its investments in first mortgage loans and may sell up to an additional \$12 million of such investments if other arrangements are not made to obtain funds.

In the counter market, Foster-Grant soared 10 points to 25 after United Brands on Monday made a tender offer for up to 600,000 of the common shares of Foster-Grant at \$26 a share.

Artists Entertainment Complex, Inc., a management and motion picture production company, was up 1/2 to 10 1/2. The company reported net profits of \$25,662 in the first quarter against a loss of

[illegible]

Many of the market's worries are entirely valid. The battle against inflation, for example, is

When the U.S. consumer price index figures came out last week, Herbert Stein, chairman of the Council of Economic Advisers, put on his rose-colored glasses and perceived an improvement that was all but invisible to others. With the price index worsening by six-tenths of 1 percent in April, only slightly better than the horrifying nine-tenths of 1 percent in March, Mr. Stein talked of a dove going out over the floodwaters and bringing back a twig.

What it all meant was that things are getting bad a bit slower. The annual rate of inflation over the three months, February, March and April, was 9.2 percent.

Tighter controls on wages and prices will be reintroduced. But there is also talk that restrictions on dividends may be eased. It's all very confusing. John B. Connally is back at the White House and there are reports he is urging a tougher economic stance.

In the meantime, Federal Reserve officials have adopted a tightening position on monetary policy. Short-term interest rates have risen, new restrictions are in effect and a 7 1/4 percent prime rate for large corporate borrowers was set by major commercial banks last week. Further

An underlying issue is whether the economic boom can be tamed without producing an outright recession later this year and in 1974. The economy appears to be at a cyclical peak (or perhaps even to have passed it) and economists are split on the question of what comes next.

		High	Low	Last	Net Ch'ge
SugardaleFd	.16	22	4%	4%	4 1/2 + W
EssexnatCo	36	22	7	7	7

Over-Counter Market

[illegible]

(Continued on Page 13, Col. 2)

Hedderwick Borthwick & Co.
Members of The London Stock Exchange

welcome institutional enquiries
for their detailed review of the

RIO TINTO-ZINC CORPORATION

International Department
Hedderwick Borthwick & Co.
No. 1 Moorgate, London EC2R 6AA

BANCO DI SICILIA

Public Credit Institution
with Head Office in Palermo, Italy
Capital Funds Lire 88,208,564,916

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 1972

ASSETS	Line	LIABILITIES	Line
Cash and Due from Banks	154,051,876,793	Capital and Reserves	87,495,731,916
Securities Owned	600,526,013,410	Special Reserves	1,050,388,048
Participations and Investments	27,813,423,844	Special Funds	76,339,449,439
Advances and Loans in Lire	1,821,578,385,029	Accounts and Deposits in Lire	
Advances and Loans in Foreign Currencies	293,834,215,160	and Foreign Currencies	2,135,546,655,373
Banking Premises and Real Estate	16,765,725,796	Notes in Circulation	499,846,406,110
Engagements on account of Customers for Acceptances and Confirmed Credits and other Obligations	129,736,136,625	Other Liabilities	106,272,034,169
Credits towards Collector's Office	86,006,438,345	Acceptances, Confirmed Credits and Other Obligations on account of customers	129,736,136,625
Miscellaneous Accounts	340,255,871,260	Engagements towards Fiscal Authorities for Taxes Collection	84,121,873,740
Total Assets	3,470,968,086,262	Miscellaneous Accounts	349,344,106,100
Contra Accounts	2,196,067,182,104	Profit for the year	1,205,304,742
	5,667,035,268,366	Total Liabilities	3,470,968,086,262
		Contra Accounts	2,196,067,182,104
			5,667,035,268,366

On April 26, 1972, an ordinary meeting of the General Council of Banco di Sicilia was held in Palermo, Italy in order to approve the 1972 balance sheet along with the proposed distribution of the net profit.

The Chairman of the Board, Dott. Ciro de Martino read the annual report of the Board of Directors illustrating the activity carried on by Banco di Sicilia and its special departments emphasizing the positive results obtained in every field of intervention.

The mass of deposits rose 25.8% to 2,712 billion Lire compared to the previous year figures while the liquidity reserves exceeded 730 billion Lire. Short term and special loans kept a high rate of growth (24.3%) reaching 2,115 billion Lire.

These figures give an idea of the dimension acquired by the bank's activity and turn out to have a more important meaning considering that they reflect a further development of the rate of growth experienced by the bank over the past years.

In fact since December 31, 1965, the mass of deposits increased by 216% with a yearly average of 17.7% while short term and special loans rose to the extent of 229% with a yearly average of 16.7%.

liquidity reserves over the same period more than doubled from 730 to 1,460 billion Lire.

The report makes mention of the developments of the agreement with Banco di Napoli, Istituto Bancario S. Paolo di Torino and Monte dei Paschi di Siena which, besides other achievements, brought about the international scale establishment of the Italian International Bank, a merchant bank which began operating in the London financial market with promising results. The report of the Board of Directors underlines the continued efforts made by the bank in order to provide, mainly through its Industrial Loan Department, financial support for every initiative aiming at the economic development of Sicily and it goes on reviewing the goals the bank has accomplished in the field of business organization and research and also in promoting various activities in favour of the personnel and finally in pursuing the statutory aims of economic, charitable and cultural nature.

The General Council, after hearing the report of the Board of Directors, approved the balance sheet as well as the proposed distribution of the net profit which, after making provisions and deductions for the total amount of 13,332 million Lire, were determined in the amount of 1,205,304,742 Lire.

After the distribution of the profit, the capital funds of Banco di Sicilia amount to 88,208,564,916 Lire of which 5,667,035,268,366 Lire are reserve funds.

Bond Sales on the New York Stock Exchange

Bonds	Sales in \$1,000 High Low Last	Net change	Bonds	Sales in \$1,000 High Low Last	Net change
GenCorp 1980	100 100 100 100	0	GenCorp 1980	100 100 100 100	0
GenCorp 1981	100 100 100 100	0	GenCorp 1981	100 100 100 100	0
GenCorp 1982	100 100 100 100	0	GenCorp 1982	100 100 100 100	0
GenCorp 1983	100 100 100 100	0	GenCorp 1983	100 100 100 100	0
GenCorp 1984	100 100 100 100	0	GenCorp 1984	100 100 100 100	0
GenCorp 1985	100 100 100 100	0	GenCorp 1985	100 100 100 100	0
GenCorp 1986	100 100 100 100	0	GenCorp 1986	100 100 100 100	0
GenCorp 1987	100 100 100 100	0	GenCorp 1987	100 100 100 100	0
GenCorp 1988	100 100 100 100	0	GenCorp 1988	100 100 100 100	0
GenCorp 1989	100 100 100 100	0	GenCorp 1989	100 100 100 100	0
GenCorp 1990	100 100 100 100	0	GenCorp 1990	100 100 100 100	0
GenCorp 1991	100 100 100 100	0	GenCorp 1991	100 100 100 100	0
GenCorp 1992	100 100 100 100	0	GenCorp 1992	100 100 100 100	0
GenCorp 1993	100 100 100 100	0	GenCorp 1993	100 100 100 100	0
GenCorp 1994	100 100 100 100	0	GenCorp 1994	100 100 100 100	0
GenCorp 1995	100 100 100 100	0	GenCorp 1995	100 100 100 100	0
GenCorp 1996	100 100 100 100	0	GenCorp 1996	100 100 100 100	0
GenCorp 1997	100 100 100 100	0	GenCorp 1997	100 100 100 100	0
GenCorp 1998	100 100 100 100	0	GenCorp 1998	100 100 100 100	0
GenCorp 1999	100 100 100 100	0	GenCorp 1999	100 100 100 100	0
GenCorp 2000	100 100 100 100	0	GenCorp 2000	100 100 100 100	0
GenCorp 2001	100 100 100 100	0	GenCorp 2001	100 100 100 100	0
GenCorp 2002	100 100 100 100	0	GenCorp 2002	100 100 100 100	0
GenCorp 2003	100 100 100 100	0	GenCorp 2003	100 100 100 100	0
GenCorp 2004	100 100 100 100	0	GenCorp 2004	100 100 100 100	0
GenCorp 2005	100 100 100 100	0	GenCorp 2005	100 100 100 100	0
GenCorp 2006	100 100 100 100	0	GenCorp 2006	100 100 100 100	0
GenCorp 2007	100 100 100 100	0	GenCorp 2007	100 100 100 100	0
GenCorp 2008	100 100 100 100	0	GenCorp 2008	100 100 100 100	0
GenCorp 2009	100 100 100 100	0	GenCorp 2009	100 100 100 100	0
GenCorp 2010	100 100 100 100	0	GenCorp 2010	100 100 100 100	0
GenCorp 2011	100 100 100 100	0	GenCorp 2011	100 100 100 100	0
GenCorp 2012	100 100 100 100	0	GenCorp 2012	100 100 100 100	0
GenCorp 2013	100 100 100 100	0	GenCorp 2013	100 100 100 100	0
GenCorp 2014	100 100 100 100	0	GenCorp 2014	100 100 100 100	0
GenCorp 2015	100 100 100 100	0	GenCorp 2015	100 100 100 100	0
GenCorp 2016	100 100 100 100	0	GenCorp 2016	100 100 100 100	0
GenCorp 2017	100 100 100 100	0	GenCorp 2017	100 100 100 100	0
GenCorp 2018	100 100 100 100	0	GenCorp 2018	100 100 100 100	0
GenCorp 2019	100 100 100 100	0	GenCorp 2019	100 100 100 100	0
GenCorp 2020	100 100 100 100	0	GenCorp 2020	100 100 100 100	0
GenCorp 2021	100 100 100 100	0	GenCorp 2021	100 100 100 100	0
GenCorp 2022	100 100 100 100	0	GenCorp 2022	100 100 100 100	0
GenCorp 2023	100 100 100 100	0	GenCorp 2023	100 100 100 100	0
GenCorp 2024	100 100 100 100	0	GenCorp 2024	100 100 100 100	0
GenCorp 2025	100 100 100 100	0	GenCorp 2025	100 100 100 100	0
GenCorp 2026	100 100 100 100	0	GenCorp 2026	100 100 100 100	0
GenCorp 2027	100 100 100 100	0	GenCorp 2027	100 100 100 100	0
GenCorp 2028	100 100 100 100	0	GenCorp 2028	100 100 100 100	0
GenCorp 2029	100 100 100 100	0	GenCorp 2029	100 100 100 100	0
GenCorp 2030	100 100 100 100	0	GenCorp 2030	100 100 100 100	0
GenCorp 2031	100 100 100 100	0	GenCorp 2031	100 100 100 100	0
GenCorp 2032	100 100 100 100	0	GenCorp 2032	100 100 100 100	0
GenCorp 2033	100 100 100 100	0	GenCorp 2033	100 100 100 100	0
GenCorp 2034	100 100 100 100	0	GenCorp 2034	100 100 100 100	0
GenCorp 2035	100 100 100 100	0	GenCorp 2035	100 100 100 100	0
GenCorp 2036	100 100 100 100	0	GenCorp 2036	100 100 100 100	0
GenCorp 2037	100 100 100 100	0	GenCorp 2037	100 100 100 100	0
GenCorp 2038	100 100 100 100	0	GenCorp 2038	100 100 100 100	0
GenCorp 2039	100 100 100 100	0	GenCorp 2039	100 100 100 100	0
GenCorp 2040	100 100 100 100	0	GenCorp 2040	100 100 100 100	0
GenCorp 2041	100 100 100 100	0	GenCorp 2041	100 100 100 100	0
GenCorp 2042	100 100 100 100	0	GenCorp 2042	100 100 100 100	0
GenCorp 2043	100 100 100 100	0	GenCorp 2043	100 100 100 100	0
GenCorp 2044	100 100 100 100	0	GenCorp 2044	100 100 100 100	0
GenCorp 2045	100 100 100 100	0	GenCorp 2045	100 100 100 100	0
GenCorp 2046	100 100 100 100	0	GenCorp 2046	100 100 100 100	0
GenCorp 2047	100 100 100 100	0	GenCorp 2047	100 100 100 100	0
GenCorp 2048	100 100 100 100	0	GenCorp 2048	100 100 100 100	0
GenCorp 2049	100 100 100 100	0	GenCorp 2049	100 100 100 100	0
GenCorp 2050	100 100 100 100	0	GenCorp 2050	100 100 100 100	0
GenCorp 2051	100 100 100 100	0	GenCorp 2051	100 100 100 100	0
GenCorp 2052	100 100 100 100	0	GenCorp 2052	100 100 100 100	0
GenCorp 2053	100 100 100 100	0	GenCorp 2053	100 100 100 100	0
GenCorp 2054	100 100 100 100	0	GenCorp 2054	100 100 100 100	0
GenCorp 2055	100 100 100 100	0	GenCorp 2055	100 100 100 100	0
GenCorp 2056	100 100 100 100	0	GenCorp 2056	100 100 100 100	0
GenCorp 2057	100 100 100 100	0	GenCorp 2057	100 100 100 100	0
GenCorp 2058	100 100 100 100	0	GenCorp 2058	100 100 100 100	0
GenCorp 2059	100 100 100 100	0	GenCorp 2059	100 100 100 100	0
GenCorp 2060	100 100 100 100	0	GenCorp 2060	100 100 100 100	0
GenCorp 2061	100 100 100 100	0	GenCorp 2061	100 100 100 100	0
GenCorp 2062	100 100 100 100	0	GenCorp 2062	100 100 100 100	0
GenCorp 2063	100 100 100 100	0	GenCorp 2063	100 100 100 100	0
GenCorp 2064	100 100 100 100	0	GenCorp 2064	100 100 100 100	0
GenCorp 2065	100 100 100 100	0	GenCorp 2065	100 100 100 100	0
GenCorp 2066	100 100 100 100	0	GenCorp 2066	100 100 100 100	0
GenCorp 2067	100 100 100 100	0	GenCorp 2067	100 100 100 100	0
GenCorp 2068	100 100 100 100	0	GenCorp 2068	100 100 100 100	0
GenCorp 2069	100 100 100 100	0	GenCorp 2069	100 100 100 100	0
GenCorp 2070	100 100 100 100	0	GenCorp 2070	100 100 100 100	0
GenCorp 2071	100 100 100 100	0	GenCorp 2071	100 100 100 100	0
GenCorp 2072	100 100 100 100	0	GenCorp 2072	100 100 100 100	0
GenCorp 2073	100 100 100 100	0	GenCorp 2073	100 100 100 100	0
GenCorp 2074	100 100 100 100	0	GenCorp 2074	100 100 100 100	0
GenCorp 2075	100 100 100 100	0	GenCorp 2075	100 100 100 100	0
GenCorp 2076	100 100 100 100	0	GenCorp 2076	100 100 100 100	0
GenCorp 2077	100 100 100 100	0	GenCorp 2077	100 100 100 100	0
GenCorp 2078	100 100 100 100	0	GenCorp 2078	100 100 100 100	0
GenCorp 2079	100 100 100 100	0	GenCorp 2079	100 100 100 100	0
GenCorp 2080	100 100 100 100	0	GenCorp 2080	100 100 100 100	0
GenCorp 2081	100 100 100 100	0	GenCorp 2081	100 100 100 100	0
GenCorp 2082	100 100 100 100	0	GenCorp 2082	100 100 100 100	0
GenCorp 2083	100 100 100 100	0	GenCorp 2083	100 100 100 100	0
GenCorp 2084	100 100 100 100	0	GenCorp 2084	100 100 100 100	0
GenCorp 2085	100 100 100 100	0	GenCorp 2085	100 100 100 100	0
GenCorp 2086	100 100 100 100	0	GenCorp 2086	100 100 100 100	0
GenCorp 2087	100 100 100 100	0	GenCorp 2087	100 100 100 100	0
GenCorp 2088	100 100 100 100	0	GenCorp 2088	100 100 100 100	0
GenCorp 2089	100 100 100 100	0	GenCorp 2089	100 100 100 100	0
GenCorp 2090	100 100 100 100	0	GenCorp 2090	100 100 100 100	0
GenCorp 2091	100 100 100 100	0	GenCorp 2091	100 100 100 100	0
GenCorp 2092	100 100 100 100	0	GenCorp 2092	100 100 100 100	0
GenCorp 2093	100 100 100 100	0	GenCorp 2093	100 100 100 100	0
GenCorp 2094	100 100 100 100	0	GenCorp 2094	100 100 100 100	0
GenCorp 2095	100 100 100 100	0	GenCorp 2095	100 100 100 100	0
GenCorp 2096	100 100 100 100	0	GenCorp 2096	100 100 100 100	0
GenCorp 2097	100 100 100 100	0	GenCorp 2097	100 100 100 100	0
GenCorp 2098	100 100 100 100	0	GenCorp 2098	100 100 100 100	0
GenCorp 2099	100 100 100 100	0	GenCorp 2099	100 100 100 100	0
GenCorp 2100	100 100 100 100	0	GenCorp 2100	100 100 100 100	0

Attention: Air Quality Engineers

NOTICE OF PUBLIC INVITATION FOR PROPOSALS

PEANUTS



BLONDIE



CHESS

By Robert Byrne

The hardest facet of chess to grasp, not only for the beginner but also for the aspiring master, is combinations. Unlike strategy, which is describable in terms of abstract principles, combinations do not generally appear in repeatable patterns.

An exception is the "Tarrasch trap," sprung by its author twice in the same year (in Siegbert Tarrasch's heyday, over a half-century ago, word didn't get around all that fast). But even a teacher as lucid and dogmatic as Tarrasch could do no more than append the admonition, "You must see this" after the combinations in his book "The Game of Chess."

It is quite true that developing an eye for combinations is as much a visual matter as learning the moves of the pieces. The intermediate step between moves, captures and combinations is elementary tactics—forks, x-rays and pins. Combinations are complex sequences of these, often branching out in many directions. Because they are so concrete, so germane to the specific positions in which they occur, they must be learned by example.

A Plan for All Seasons
Combinations can serve any strategic purpose on the chessboard. Besides setting up checkmate (and stalemate), or winning material, they can result in the improvement of a position or facilitate the queening of a pawn.

In his encounter with Ljubomir Ljubojevic in the Las Palmas International Tournament, the brilliant American grandmaster Ljubojevic showed how one combination can have branches with diverse objectives.

Although Ljubojevic had suffered a thrashing from Mikhail Tal with the same variation of the Alekhine Defense in Beverwijk earlier this year, he tried it again. This time he showed an improvement with 12...P-QR4: 13 P-R3, P-R5; 14 B-R2, P-QN4, which hemmed in the White queen's side and permitted the equalizing follow-up 15...P-B4. Perhaps Karpov should have spotted that chance with 13 P-QR4.

DENNIS THE MENACE



BOOKS

New Novels

THE LAST HILL, by Spencer Dunmore, William Morrow & Co., 215 pp., \$5.95.

Reviewed by Martin Levin

"We hated the Japanese because they were so terribly efficient; we hated our generals for precisely the opposite reason." So reflects a British veteran of the 1942 debate on the Malay Peninsula. Ex-Capt. David Cornish is the only survivor of a rifle battalion, cut off and surrounded in the jungle after the fall of Singapore. "The Last Hill" is a recapitulation, some 30 years later, of how and why some men died.

The how is depicted with the same stunning clarity exhibited in "Bomb Run." Mr. Dunmore's first novel. The why uses the perspective of hindsight to examine duty. When defeat seems inevitable, Captain Cornish, the executive officer (and a gentleman civilian soldier), thinks it is futile to fight "until the last man" as Major Kerr (his all-pro commander) intends. Mr. Dunmore plays off one raison d'être dramatically against the other in the bright glow of a lost cause.

Reviewed by Helen R. Lane

THE HERESY, by Laurence Snelling, Hamish Hamilton, 250 pp., £2.50.

Reviewed by Helen R. Lane

Spy-thriller junkies hooked on plots propped up by such tired trappings as confrontations with slippery agents involved in exponential levels of connivance, a laboriously unearthened, enigmatic diary that reveals everything and nothing, and paper-chases through penumbral backgrounds will doubtless find "The Heresy" the stuff that a fair good-read high is made of. Mainliners proving the bookstores for author-dealers in nickel-bags with a sappier literary ring may also be pleased to make a connection with Laurence Snelling, for his novel's basic gimmick is fairly offbeat: a tenebrous international movement promoting individual freedom from every brand of totalitarianism, with roots that go back to the Albigensian heresy of the 13th century, become even more garbled in the politically murky days of the French Resistance, and are still possibly putting out vast anti-police-state offshoots. And Snelling's gripping existentialist hero, Harvey Phelps—a disenchanted hack writer who for the first time in his life has produced something that he

Solution to Friday's Puzzle

RED DUTCH ARMADA
ARIAFURA TRIATED
JANUARY REDRESS
RAISE TIAURE HOSE
JUNT EATING ELVIS
GREATTIORE ALIENS
SEPTIMBERMORN
COPRIS REORIENTED
ALPHABETICORE
ATLIS SCORPIONAPS
FAORF THO
LIAOURED LIONIZE
ORIOLES ENTENDED
BIBLIOS AGE MANS

Helen R. Lane is a Euro-based editor, critic, and translator.

CROSSWORD

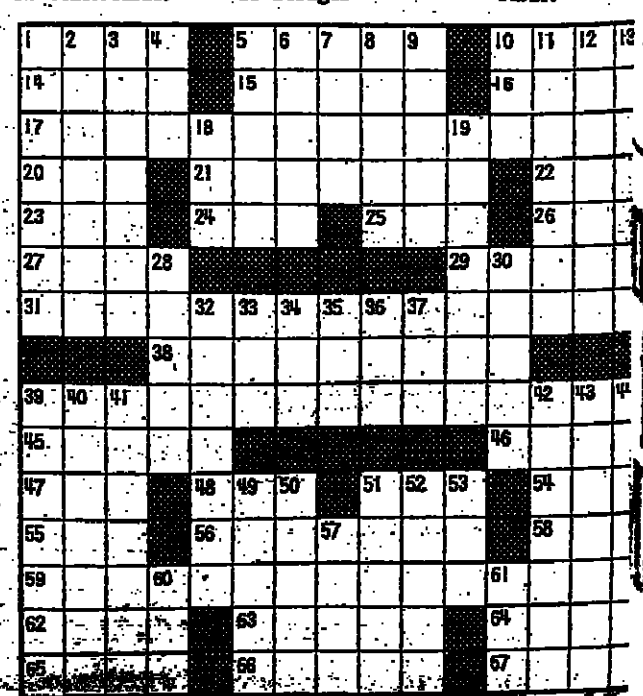
By WILL

ACROSS

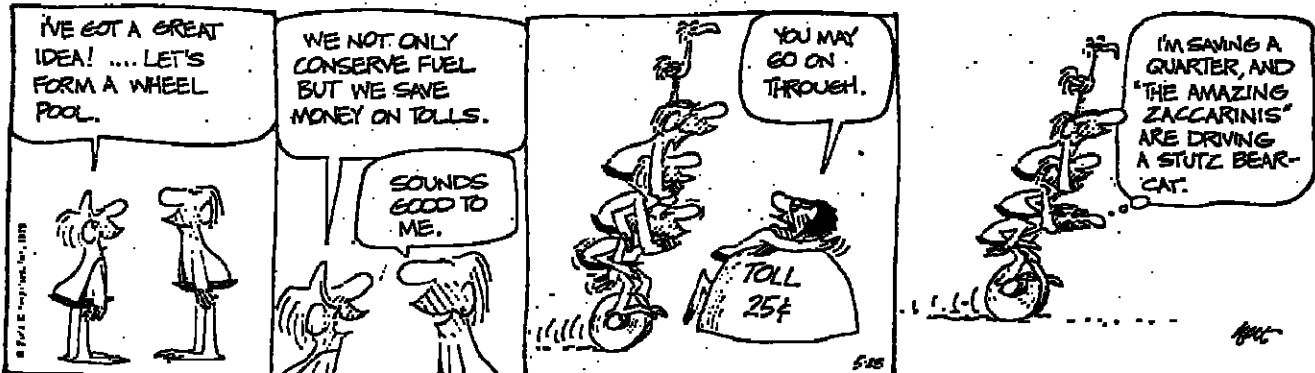
1 Devoted group
5 Cripples
10 Dog star
14 Over
15 Pointed arch
16 Old catch
17 Apaches
20 Cherokee, et al
21 Popular remedy
22 Baton Rouge campus
23 Pavish fit
24 Half a fly
25 Child
26 Prefix with plus or name
27 Silkworm
29 Harden
31 Flag
38 Seeming
39 Occasional song
45 Loomed up
46 Slaughter
47 On the
48 French summer
51 State: Abbr.

DOWN

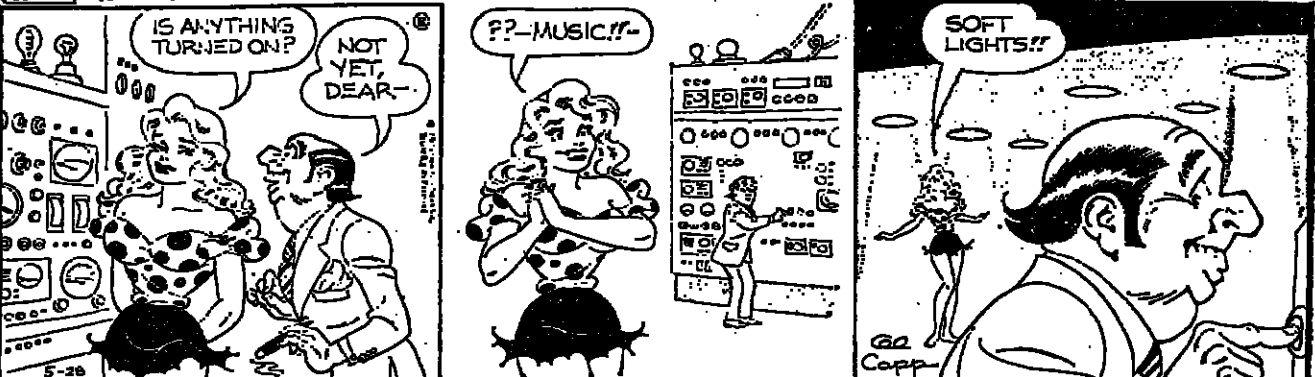
19 Certain dog
28 Mideastern
30 Soap residue
32 Angry states
33 "The Naked
34 Village in Norway
35 "Kapital"
36 Madrid address, for short
37 Tiny one
39 Milk: Prefix
40 Henry and
41 Dirksen, e.g.
42 Table game
43 Charles' author
44 Whodunit fig
45 Lends a hand
46 Complete
50 Gay
51 Marble
52 Put down
53 Collection
57 Turkish leader
60 Greek letter
61 Certain docto. Abbr.



B.C.



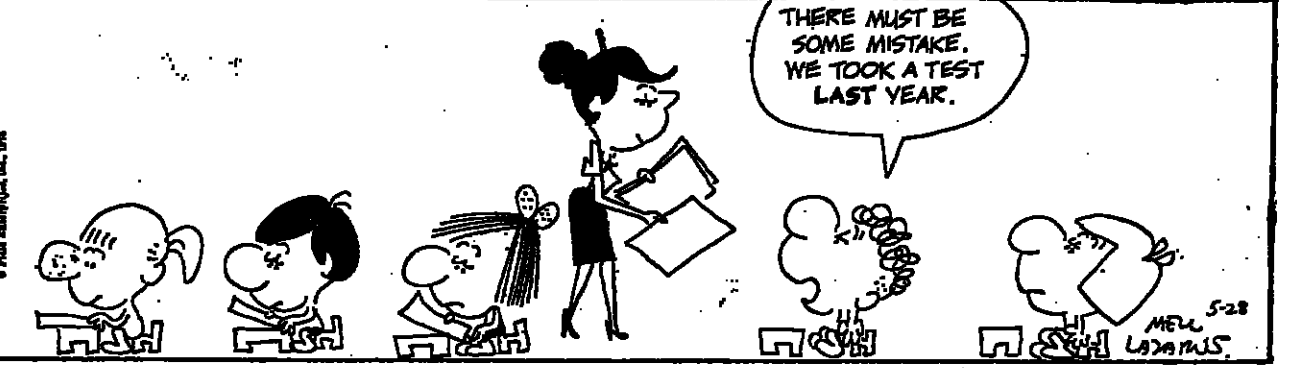
L.I.L. ABNER



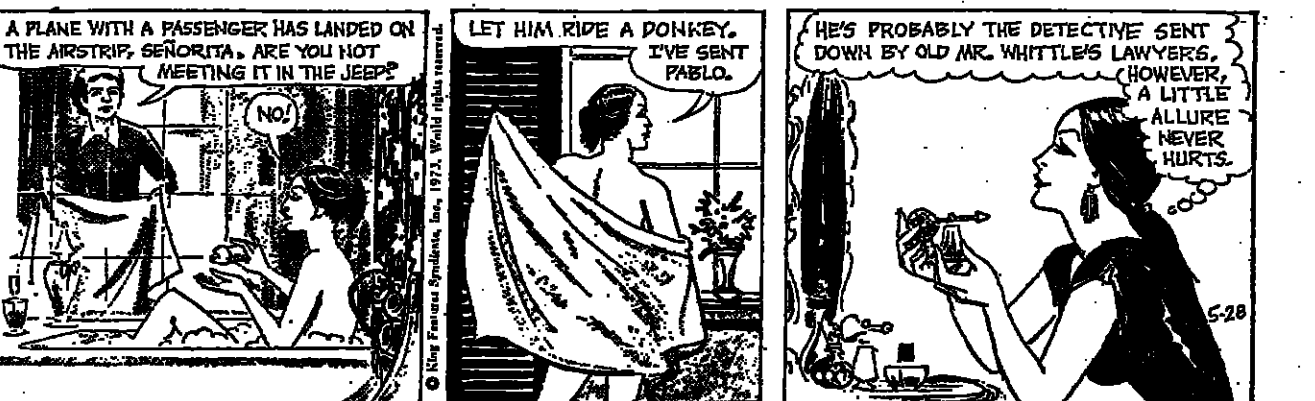
BEETLE BAILEY



MISS PEACH



BUZZ SAWYER



WIZARD OF ID



REX MORGAN M.D.



POGO



RIP KIRBY



ملا في الجهد

Boys Put on a Show French Open Tennis

Associate
and Agnew, 26, sor
bride Cornelia, 23
their honeymoon in

PERSONNEL W

AMERICAN ATTORNEY,
rail secretary, some
1000 hrs. Federal
medically. See 10-11,
12-13, 14-15, 16-17,
18-19, 20-21, 22-23,
24-25, 26-27, 28-29,
30-31, 32-33, 34-35,
36-37, 38-39, 40-41,
42-43, 44-45, 46-47,
48-49, 50-51, 52-53,
54-55, 56-57, 58-59,
60-61, 62-63, 64-65,
66-67, 68-69, 70-71,
72-73, 74-75, 76-77,
78-79, 80-81, 82-83,
84-85, 86-87, 88-89,
90-91, 92-93, 94-95,
96-97, 98-99, 100-101,
102-103, 104-105,
106-107, 108-109,
110-111, 112-113,
114-115, 116-117,
118-119, 120-121,
122-123, 124-125,
126-127, 128-129,
130-131, 132-133,
134-135, 136-137,
138-139, 140-141,
142-143, 144-145,
146-147, 148-149,
150-151, 152-153,
154-155, 156-157,
158-159, 160-161,
162-163, 164-165,
166-167, 168-169,
170-171, 172-173,
174-175, 176-177,
178-179, 180-181,
182-183, 184-185,
186-187, 188-189,
190-191, 192-193,
194-195, 196-197,
198-199, 200-201,
202-203, 204-205,
206-207, 208-209,
210-211, 212-213,
214-215, 216-217,
218-219, 220-221,
222-223, 224-225,
226-227, 228-229,
230-231, 232-233,
234-235, 236-237,
238-239, 240-241,
242-243, 244-245,
246-247, 248-249,
250-251, 252-253,
254-255, 256-257,
258-259, 260-261,
262-263, 264-265,
266-267, 268-269,
270-271, 272-273,
274-275, 276-277,
278-279, 280-281,
282-283, 284-285,
286-287, 288-289,
290-291, 292-293,
294-295, 296-297,
298-299, 300-301,
302-303, 304-305,
306-307, 308-309,
310-311, 312-313,
314-315, 316-317,
318-319, 320-321,
322-323, 324-325,
326-327, 328-329,
330-331, 332-333,
334-335, 336-337,
338-339, 340-341,
342-343, 344-345,
346-347, 348-349,
350-351, 352-353,
354-355, 356-357,
358-359, 360-361,
362-363, 364-365,
366-367, 368-369,
370-371, 372-373,
374-375, 376-377,
378-379, 380-381,
382-383, 384-385,
386-387, 388-389,
390-391, 392-393,
394-395, 396-397,
398-399, 400-401,
402-403, 404-405,
406-407, 408-409,
410-411, 412-413,
414-415, 416-417,
418-419, 420-421,
422-423, 424-425,
426-427, 428-429,
430-431, 432-433,
434-435, 436-437,
438-439, 440-441,
442-443, 444-445,
446-447, 448-449,
450-451, 452-453,
454-455, 456-457,
458-459, 460-461,
462-463, 464-465,
466-467, 468-469,
470-471, 472-473,
474-475, 476-477,
478-479, 480-481,
482-483, 484-485,
486-487, 488-489,
490-491, 492-493,
494-495, 496-497,
498-499, 500-501,
502-503, 504-505,
506-507, 508-509,
510-511, 512-513,
514-515, 516-517,
518-519, 520-521,
522-523, 524-525,
526-527, 528-529,
530-531, 532-533,
534-535, 536-537,
538-539, 540-541,
542-543, 544-545,
546-547, 548-549,
550-551, 552-553,
554-555, 556-557,
558-559, 560-561,
562-563, 564-565,
566-567, 568-569,
570-571, 572-573,
574-575, 576-577,
578-579, 580-581,
582-583, 584-585,
586-587, 588-589,
590-591, 592-593,
594-595, 596-597,
598-599, 600-601,
602-603, 604-605,
606-607, 608-609,
610-611, 612-613,
614-615, 616-617,
618-619, 620-621,
622-623, 624-625,
626-627, 628-629,
630-631, 632-633,
634-635, 636-637,
638-639, 640-641,
642-643, 644-645,
646-647, 648-649,
650-651, 652-653,
654-655, 656-657,
658-659, 660-661,
662-663, 664-665,
666-667, 668-669,
670-671, 672-673,
674-675, 676-677,
678-679, 680-681,
682-683, 684-685,
686-687, 688-689,
690-691, 692-693,
694-695, 696-697,
698-699, 700-701,
702-703, 704-705,
706-707, 708-709,
710-711, 712-713,
714-715, 716-717,
718-719, 720-721,
722-723, 724-725,
726-727, 728-729,
730-731, 732-733,
734-735, 736-737,
738-739, 740-741,
742-743, 744-745,
746-747, 748-749,
750-751, 752-753,
754-755, 756-757,
758-759, 760-761,
762-763, 764-765,
766-767, 768-769,
770-771, 772-773,
774-775, 776-777,
778-779, 780-781,
782-783, 784-785,
786-787, 788-789,
790-791, 792-793,
794-795, 796-797,
798-799, 800-801,
802-803, 804-805,
806-807, 808-809,
810-811, 812-813,
814-815, 816-817,
818-819, 820-821,
822-823, 824-825,
826-827, 828-829,
830-831, 832-833,
834-835, 836-837,
838-839, 840-841,
842-843, 844-845,
846-847, 848-849,
850-851, 852-853,
854-855, 856-857,
858-859, 860-861,
862-863, 864-865,
866-867, 868-869,
870-871, 872-873,
874-875, 876-877,
878-879, 880-881,
882-

MBA, 15 years' experience
 as executive top level
 in the U.S., Canada,
 Switzerland, West Coast
 management consultants in
 several positions as
 • **MARKETING** with
 prominent U.S.,
 Germany. Preferably
 Frankfurt, Rhein-Main &
 vicinity: \$2,000. per
 annum. 6 Frankfurt
 Eschenheimer Str.

HONG KONG-FAE
 Australian, 28, good
 commercial sales back

FEMALE EXECUTIVE
perfectly bilingual. Fr
very competent ex-
ecutive & efficiency in
experience in selling
a high caliber of
serious professional
references available.
Post. Residence Paris
Write to: No. 60/97,
Rue de la Chapelle,
Paris 18, France.
S.E. ASIA: interesting &
German, perfect &
some Khmer. Use

age 35-40. Credits.
Luciano & Hollywood
Hunter Roberts, Far.

DOMESTIC SITU

SITUATIONS W/

DISINTERESTED D'
gentle, excellent ré
troubles, cherché p
Gavald. 23 R. Le 3
Faria (chez Bauries).
SOLANGE AU PALAIS
MANNES. AVAILABLE
PERSONNEL. 27 GRAY

Paris. Spooks from
Mrs. ANNOVAZZI, 4
Florentia, Paris (her)
YOUNG BELGIAN WO
post "Au-Pair" in US
succs. Box 10,444, E.

HELP WANTED

AMERICAN COUPLE: 2
turning to U.S. w/old
pair. Mother helper,
Connecticut, N.Y. area.
Fare paid. Call:
647.48.01. Paris.
U-PAIR. NEW YORK: